

# The NATIONAL UNDERWRITER

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April 5, 1958

## Modifies National Council Action

### NALU Board States NALU's Official Position On Bank-Loan Tax Status

By ROBERT B. MITCHELL

The National Assn. of Life Underwriters board of trustees at its post-convention session in Birmingham modified the recommendation made the previous day by the national council for a policy of flat opposition to any legislative attempt whatever to curb the bank-loan type of sale through prohibiting interest deductions on such loans.

The trustees go along with the national council's statement, reported in THE NATIONAL UNDERWRITER last week, that bank-loan abuses are deplorable and should be cleaned up by the life insurance industry but legislative action "could seriously jeopardize the over-all tax position of life insurance."

The board's modification of this position consists of not opposing tax legislation that would only enlarge the definition of "single premium contract"

contained now in section 264 of the internal revenue code and disallow as a deduction interest paid on funds borrowed to purchase or carry any life insurance or annuity contracts coming within such enlarged definition.

At present, the definition of "single premium contract" includes policies on which substantially all the premiums are paid within four years. Treasury officials have talked about enlarging the single-premium definition as a possible approach, although it was not the one used in the Treasury's proposal a year ago.

## Sackman Now Asst. Superintendent Of N. Y. Department

NEW YORK—Julius Sackman, chief of the life bureau of the New York department since 1945, has been appointed to the newly created position of assistant superintendent of insurance.

"In his new post Mr. Sackman will be entrusted with administrative duties and responsibilities of the highest order of importance," said Superintendent Wikler, who recently succeeded Leffert Holz as head of the department.

Mr. Sackman started with the department in 1923 as an examiner. He has served as consultant and adviser to many superintendents and their deputies on departmental policy and proposed legislation affecting life companies, pension funds, retirement systems, and fraternal. These duties will be enlarged, although he will continue to be chief of the life bureau. He has represented the department on state legislation and on National Assn. of Insurance Commissioners sub-committees.

All American Life & Casualty of Chicago has been licensed in Nevada, the 24th state in which the company is licensed.

At the national council meeting during the NALU midyear: Robert C. Gilmore Jr., Mutual Benefit Life's director of market research; William H. Pryor, Connecticut Mutual, Wauwatosa, Wis., chairman of the field practices committee, and Oren D. Pritchard, Union Central, Indianapolis, NALU vice-president.

## Record Attendance For Florida Annual Meeting Of LIC

President J. I. Cummings Comments Forthrightly In Annual Report

By GEORGE E. WOHLGEMUTH

HOLLYWOOD BEACH, Fla.—Life Insurers Conference recessed its annual meeting here

until April 3, when a joint meeting will be held in Chicago with American Life Convention and Life Insurance Assn. of America to discuss the company federal income tax situation. Some developments had been expected momentarily during the sessions from the tax committee meeting in Washington, but the committee adjourned and the matter will be discussed next week by the members of the three associations in Chicago.

Attendance reached an all-time peak of 417, nearly 100 more than in 1956, with 81 of the 92 member companies represented.

In his annual report as president, J. I. Cummings, president Empire Life & Accident, said he was impressed by how little life company office and field personnel know of their companies' problems on some of the major issues, particularly of the federal tax and public projects maintained and supported by the industry.

Paying tribute to the public relations job done by Institute of Life Insurance, he asserted that the great majority of the people in the life insurance business itself would do a better job while at work and would act as thousands and thousands of public relations counsellors to the millions of people in this country if they were properly informed on matters of interest to the business by a ready and steady line of communication, both up and down, within each company, to give them the facts.

Referring to the appointment of a congressional subcommittee to investigate insurance, he said: "This is not the first time that the insurance industry has been investigated and probably will not be the last, but I do believe that it can be minimized if a campaign is inaugurated to explain to the public how our industry is taxed and also the many great things our industry does. I believe the industry should stand up and be counted. I believe that we should speak out loudly and firmly to everyone about our problems, but this we cannot do until we have explained the problems to our own people."

The new insurance information of-

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Richard B. Evans

Apparently Dan Throop Smith, deputy to the Secretary of the Treasury, had in mind the rather general use of 10-payment life policies that were formerly used for bank-loan plans, when he suggested enlarging the single-premium definition, presumably to cover 10 years instead of four. However, the advent of so many whole-life-type policies with high early cash values has made the 10-payment plan pretty much obsolete and it must be obvious to the Treasury that expanding the definition of single premium to 10 years would accomplish little of what the Treasury is after.

However, if the Treasury were to seek legislation expanding the single-premium definition to a ridiculous length of time—even more ridiculous than 10 years, that is—NALU would

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## Feb. Ordinary Sales Up 8%; Industrial, Group Off 10%, 27%

Life Insurance sales in February totaled \$4,860,000,000, off 3%. Of this amount, ordinary accounted for \$3,499,000,000 an 8% increase and the largest February total on record for ordinary.

February group sales were \$902 million, off 27%. These figures represent new group set up only, and not additions under group contracts already enforced.

### Industrial Off 10%

February industrial sales were \$459 million, off 10%.

For the first two months, total sales were \$10,262,000,000 up 10%. Ordinary was \$6,966,000,000 up 8%. Group was \$2,409,000,000, an increase of 26%, while industrial was \$887 million, off 10%.

The figures, prepared by LIAMA, do not include credit insurance.

## GAMC Board Will Let Supervisors Become Associate Members

General Agents & Managers Conference, at its meeting in Birmingham

during the NALU annual meeting, voted unanimously to change the GAMC rules and regulations to permit local supervisors association members to become members of the conference. This action is in line with an amendment taking effect last year which established an associate member classification.

The proposed change will be submitted to the GAMC membership at the annual meeting in Dallas and will be put into effect if approved by the National Assn. of Life Underwriters board of directors.

The GAMC board also unanimously recommended that the conference committee on management practices review completely the GAMC code of ethics and submit recommendations for its revision at the annual meeting.

L. V. Drury, Sun Life of Canada, Philadelphia, GAMC chairman, said the board felt the code should be changed so as to keep pace with changing trends and conditions in the field, bringing the code up to date and making some provisions stronger.

The board voted to change the de-

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L. V. Drury



## Two Texas Life Companies Quit, Three On Carpet

AUSTIN—Two Texas life companies, including the ill-fated Estate Life of Amarillo, have decided to discontinue operations and three other small companies face "show cause" hearings before the department for alleged failure to meet the minimum requirements of business in force and policyholders.

Directors of Estate Life notified district court in Austin last week that they had voted unanimously to put the firm into permanent receivership following failure of efforts to erase a deficit after it had been placed in a conservatorship action 10 days earlier. The company's financial troubles, according to the directors, were caused primarily by a reinsurance deal made last July with the defunct Physicians Life & Accident, which was investigated by the senate general investigating committee. Pending further action by the court, the company's affairs are being handled by James M. Williamson, state liquidator.

### Crackdown Involves Others

The other companies are involved in the department's crackdown during the current relicensing period under a 1955 law that requires a company to maintain not less than 100 policyholders and not less than \$200,000 of insurance in force or a gross premium income of \$50,000.

Great Fidelity Life, Houston, the first cited under the law, voluntarily dissolved several weeks ago, it has been announced. The companies facing show-cause orders are: Phoenix Life & Accident, Dallas; Deliverer Life, Fort Worth, and Mortgage Bankers Life, Houston. Each is charged with failing to reach minimum requirements by the deadline of Dec. 31, 1957.

## Metropolitan Marks 90th Anniversary

NEW YORK—Metropolitan Life celebrated its 90th anniversary at a luncheon here attended by some 1,800 members of the home office staff who were participating in a supervisory personnel conference scheduled for the day.

President Frederic W. Ecker was in charge of the brief ceremony and a participant was his father, Frederick H. Ecker, honorary chairman, who like the company, is also 90 years old.

Other speakers at the supervisory personnel conference were Harry C. Hagerty, financial vice-president; Cecil J. North, executive vice-president; Francis M. Smith, administrative vice-president; and Edwin C. McDonald, vice-president in charge of group insurance; Reinhard A. Hohaus, vice-president and chief actuary; Karl H. Kreder, 2nd vice-president, and Charles B. Haverin, 3rd vice-president.

### Cal. Caravan Now On The Road

The sales caravan sponsored by California Assn. of Life Underwriters and Los Angeles agents' organization is now visiting local associations from Bakersfield in the northern part of the state to San Diego in the south. The caravan, which will make 14 speaking engagements during the tour, is composed of four teams under Chairman Frank B. Cross III, Sun Life of Canada.

## Awarded \$25,809 Against Agent Accused Of Razzle-Dazzle In Sale Of Bank-Loan

Roger I. Knox of Wailuku, Maui, Hawaii, has been awarded \$25,809 in federal district court in Hawaii on his complaint that a Los Angeles life insurance agent sold him \$150,000 of life insurance through misrepresentation on the so-called bank-loan plan.

Judge McLaughlin ruled that although the agent had assured Mr. Knox that the policies would fit his income level—\$8,100 a year salary and about \$1,500 from investments—the policies were actually tailored for someone in a much higher income bracket. The judge said that the doctrine of "caveat emptor" did not hold good in such involved matters as insurance plans.

"The defendant claimed the plaintiff was naive or indifferent to the workings of the insurance plan," said Judge McLaughlin. "Perhaps he was. However, the doors of this court are open to the gullible as well as to the alert and sophisticated."

Suit was brought in April, 1954, against J. Leland Anderson, who was an agent of New York Life in Los Angeles. Three other similar suits are pending against Mr. Anderson, awaiting the outcome of the Knox case. All are for substantial amounts and all involve the bank-loan type of selling.

### Judge Hits Poor Explanations

In the Knox decision, Judge McLaughlin held that Mr. Anderson "did not explain the insurance plan so that the plaintiff understood it."

Mr. Knox, who was employed on one of the sugar plantations as a field superintendent, testified of Mr. Anderson that "he spun me all around."

Judge McLaughlin commented: "During Anderson's 'presentation' Knox occasionally stopped the torrent of words to ask a question. What was the effect on the program of his not being in the 40% bracket as the schedule states? Anderson answered that the program would work just as well in the 30% bracket and besides a final schedule would be submitted in its corrected form. . . ."

### Signs Note For \$974 Interest

"The meeting lasted for 45 minutes. Knox signed a note for \$974 interest on the bank-loan for the first year. . . . There is considerable doubt as to whether at this point Knox knew that

he had bought \$100,000 additional insurance. It is his testimony that, in signing the note and the other papers which followed, he believed he was preparing the preliminary matters necessary before the new insurance program could go through in its final form. Anderson had stressed the fact that the program was an integrated one. To understand its significance one would have to see the final schedule, and that would be forwarded to Knox later. 'The realization that I had bought this insurance just grew on me.'

"However long this realization took, it is established that Knox was fully aware that he was the owner of a \$100,000 policy when he met Anderson the second time. This was in May, 1953, on Maui, with Ellen Knox (the plaintiff's wife) again present. Anderson had discovered when he returned to the Mainland that Knox's old policies contained even more untapped collateral. This was an opportunity to sell more insurance.

"Anderson brought with him another schedule integrating a \$50,000 policy on Ellen Knox into the \$100,000 program on Roger. Knox did not protest that this second schedule was also based on a 40% tax bracket. There was little discussion. Knox told Anderson he was not interested in going over the schedule because he recalled the November explanations of the program as to \$100,000. All he was interested in was whether or not the \$50,000 extra insurance would 'fit into my program.'

### Misled On Reducing Coverage

"Anderson assured him that it did. Besides, Anderson stated, if for unforeseen reasons the insurance proved to be too great a burden, the amount could always be reduced. Knox was left with the belief that there would be no loss involved if such a reduction became necessary. One merely would switch to lower coverage and continue the insurance program, paying the resulting lower premium.

"Knox approving, Mrs. Knox applied for the additional \$50,000 and both signed a note to temporarily cover the initial premium. Anderson promised to prepare and deliver a schedule show-

(CONTINUED ON PAGE 26)

## Williams Named V.P. By Conn. General 12 Other Changes

HARTFORD—Connecticut General has appointed Frank O. H. Williams as vice-president and has made 12 other home office appointments.

Mr. Williams has been manager of the Hartford agency since 1936. During that time the agency, which serves all Connecticut, has won the "outstanding agency" award 12 times. As of last December it had nearly \$200 million in force. Mr. Williams is chairman of the Yale alumni board and from 1927 to 1933 was publisher and business manager of the *Yale Alumni Weekly*. In 1933 he worked briefly as a New York Life agent and then became a broker representing several companies. The next year he joined Connecticut General as manager at New Haven.

### Nicholson Appointed

Elmer L. Nicholson has been appointed 2nd vice-president of the agency department. He has been superintendent of agencies since 1954. He joined the company in 1942 in Montpelier. He served as district manager in Montpelier and assistant manager in Buffalo before being named to the home office staff in 1949.

Henry R. Roberts, appointed 2nd vice-president, has been given special responsibilities in research on mechanization and new methods of processing office work. He will continue to direct the company's individual A&S insurance, a post he has held since 1950 when he was named secretary of the accident department. He is a fellow of Society of Actuaries.

### Named 2nd Vice-President

James H. Torrey has been named 2nd vice-president of the securities department. He joined the company in 1945 and was named secretary of the securities department in 1956. He is a fellow of Society of Actuaries.

Roland F. Dorman has been appointed assistant actuary. He is a fellow of Society of Actuaries.

Rodney B. Wilcox has been appointed assistant secretary of the controller's department.

Richard R. Anderson and Harrison G. Demgen have been appointed assistant secretaries in the group pension department.

### Named Assistant Actuary

Robert L. Mallory Jr. has been appointed assistant actuary in the group pension department. He is a fellow of Society of Actuaries.

Robert E. Hyatt and Donald R. McGown have been named assistant directors of group sales in the group sales department.

Dr. J. David McGaughey has been named assistant medical director.

William M. Griffin has been appointed assistant secretary of the securities department.

Vice-president Williams has long been active in Yale alumni affairs and

(CONTINUED ON PAGE 6)



Herbert Baum, general agent of Protective Life at Birmingham and general chairman of the local committee for the midyear meeting of NALU at Birmingham; Suzanne Audet, Prudential of Great Britain, Quebec, vice-chairman of Richmond, chairman of the NALU nominating committee; Ruth Suerkin, executive secretary of the Richmond association, and Dave Gaut, Mutual Benefit Life, Memphis, at the midyear meeting of NALU.



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ROGER C. BIEDE

**\$837,000 net paid  
in my first year...**

Mr. Chas. E. Becker, President  
Franklin Life Insurance Company  
Springfield, Illinois

Elmwood Park, Illinois  
February 28, 1958

Dear Mr. Becker:

At the end of December 1957, I had the pleasure of completing my first year with the Franklin. In tabulating my record for that period I had a net paid of \$837,000 and income well into five figures with projected income based on deferred commissions for an almost equal amount. It has been a real pleasure and privilege to be associated with the Franklin, for without the Franklin specials and their philosophy of merchandising I could never have accomplished what I did. In my opinion, you don't have to sell the Franklin contracts, you merely show them.

Time after time, I have made sales to people who were very emphatic about not buying any life insurance, which proves the power of Franklin exclusives and the way they are sold. In my previous connection I was hampered by endless, nonproductive detail work and constant home office supervision. In contrast, with the Franklin I have the freedom to devote practically all of my time to one thing... PRODUCTION... the only way to bring home the bacon.

I am looking forward to an even greater year for 1958 and am sure, that with the help of my friend and General Agent, Edward M. Kaluza; Regional Manager Francis J. Budinger; and all those wonderful people at the Home Office; I can accomplish my objective.

Sincerely,  
Roger C. Biede

**An agent cannot long travel at a faster gait than the company he represents!**



*The Friendly*  
**FRANKLIN LIFE INSURANCE COMPANY**

CHAS. E. BECKER, PRESIDENT      SPRINGFIELD, ILLINOIS  
DISTINGUISHED SERVICE SINCE 1884

*The largest legal reserve stock life insurance company in the U.S. devoted  
exclusively to the underwriting of Ordinary and Annuity plans  
Over Two Billion Eight Hundred Million Dollars of Insurance in Force*

GA's CONVENTION

# Palmer Urges Life Sales Tactics As Recession Offset

Adoption of life insurance's hard-sell, "pursuit of the buyer" type of



Robert Curran Jr.



H. Bruce Palmer

merchandising in other sales fields would do a lot toward reversing the recession trend, President H. Bruce Palmer told the annual meeting of

Mutual Benefit Life general agents at Miami Beach.

Mr. Palmer also decried the tendency of American business to look to governmental action alone to reverse the economic trend when the business system can exert its own action programs.

"It is this selling mechanism which has demonstrated in good times and in bad its effectiveness as the most fundamental factor in our economy," Mr. Palmer said. "But we must make it adaptable to the needs of our economy." We in the life insurance business are accustomed to hard sell for ours is a 'pursuit of the buyer' distribution system. Our sales continued to increase because we continually motivate the public to buy. Let other industries use many of our sales processes when the public goes on a buyer strike as is happening today, and our economic trend can quickly be reversed. Business is not meeting aggressively the hard-sell challenge of the day. The distribution system we have in this country is the most dynamic in the world. It has given us our high standard of living."

Mr. Palmer expressed the hope that

National Sales Executive Club and all other sales organizations would gear their programs to this challenge.

"There are some lines of business today that have what almost amounts to apathy toward real hard selling," he said. "Business leaders must recruit better salesmen. They must be well trained and motivated to persuade people to fulfill their needs now, today, instead of waiting until we go deeper into recession."

"The other factor that can help us at the proper time is positive thinking by our business leaders and others right on down the line. We need a resurgence in confidence and optimism. There is really nothing fundamentally wrong with our economy. There should be more leaders stimulating optimism among the buying public. Unless more people realize how fundamentally strong our economy is, we could talk ourselves into a prolonged recession or even a depression."

## More Than Volume Is Needed

Vice-president Charles G. Heitzeberg, while expressing pride in the company's reaching \$4 billion of insurance in force last year, emphasized that a company grows in many respects in addition to volume sold and retained in force. He pointed to the healthy increase in number of lives being written in Mutual Benefit as a sound criterion of progress. Perhaps the most important phase of the company's growth during the year was the rise in the number of full-time agents, he said, pointing out that the company has more full-time men under contract at the present time than ever before.

In such a period as this it is only natural that the company is experiencing some "growing pains," he said, this being the obvious result of expansion, introduction of new coverages, new methods, new mental outlooks, and many other fundamental advancements which have been introduced to the field force.

## National Interest Exists

Referring to the recent extensive story on life insurance in *Newsweek* magazine, Mr. Heitzeberg said "sometimes I wonder if we really understand what is happening all about us." He said that when a magazine devotes this much space to an article it indicates that there is great national interest in the subject.

There is a great deal to be learned about the subject of pricing by size, particularly as the effect of future changes in the economic level on it is discovered, said Vice-president Harry W. Jones.

"There is a tremendous responsibility on all of us to learn what we should learn about it as our experience with it develops," he said. "The important point is that a nice sense of balance is required in any attempt to fit together all the various considerations—many of them conflicting—and to deal with all business equitably and in accordance with the best interests of all our policyholders."

## Need Months To Judge

Milford A. Vieser, financial vice-president, said it seems that it will be several months at least before it can be determined whether the upturn is at hand or whether there will be a deeper, more painful and protracted recession. However, he said "we need have no fear of a depression such as we suffered during the '30s."

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# All States Life Now Suing Allstate In Name Dispute

All States Life of Dallas is reported to have filed a suit March 24 in federal district court at Dallas against Allstate Life of Chicago to enjoin the Sears, Roebuck insurer from using its present name. Some time ago Allstate Life successfully sued the Texas company to prevent the use of its name except in Texas.

All States Life was reported recently to be purchasing Professional & Business Men's Life of Denver from the C. A. Sammons interests of Dallas. By reason of this merger, All States would then enter the some 20 states in which Professional & Business Men's now operates. The latter company has about \$55 million in force.

## Emory, Home Life V-P, To Retire April 30

NEW YORK—George N. Emory, vice-president of Home Life of New York, has elected early retirement, effective April 30, under the company's program. Mr. Emory joined the company in 1936 as financial secretary, became financial vice-president in 1940 and was elected a director in 1949. He was elected vice-president last December and in preparation for his retirement was succeeded as financial vice-president by John E. Crane. He was in the investment business before going with Home Life.



George N. Emory

## Tex. A&H Assn. Elects; Hears Harrison, Wallace

Texas Assn. of A&H Underwriters has elected the following officers: John Delaney, American General Life, Houston, president; Eugene Armistead, Insuromedic, Fort Worth, and Wm. A. Borden, American Hospital Life, San Antonio, vice-presidents, and Elmo Lee, Commercial Travelers Life, Dallas, secretary.

William A. Harrison, Texas commissioner, spoke briefly at the election meeting, expressing appreciation of his associates in the insurance department. Travis T. Wallace, president Great American Reserve, was installing officer. He also discussed developments in the A&H field, speaking of the rapid increase in the number insured from 19 million to 123 million and said that not only has the number of insured and amount of insurance in force increased, but the quality of the insurance has been improved. He asserted that pre-paid medical care is with us and here to stay.

Mr. Wallace emphasized that unless private insurance companies provide for hospital and medical care of people the government will. He stated there is a group which is consciously working for the socialization of A&H insurance. A second group, he said, is opposed to socialization but is following a course which, if it reaches the natural results, will bring socialization.

He stressed the need for companies providing coverage for impaired risks and declared that the companies should find a solution of the problems of the substandard cases.

NO. 4 IN A SERIES



## EQUITABLE LIFE OF IOWA IN THE NORTH CENTRAL STATES

From the land of 10,000 lakes . . . America's Dairyland . . . and the far-reaching grazing and wheat lands of the Dakotas, come great contributions to the nation's economy. Contributing to the life insurance well-being of citizens of the North Central states are these Equitable Life of Iowa general agents and their agency associates. We salute them for a job well done.



**Equitable**  
LIFE INSURANCE COMPANY OF IOWA

FOUNDED IN 1867 IN DES MOINES



## Advance Education Can Head Off Bad Legislative Bills

Many bad bills would never have been introduced or could be readily killed if more time had been spent in advance on educating legislators as to what life insurance is and does, said Spencer L. McCarty, Provident Mutual, Albany, managing director of New York State Assn. of Life Underwriters, at the association workshop during the National Assn. of Life Underwriters midyear meeting in Birmingham.

"It seems that our 'fire prevention' or legislative prevention program is weak," he said. "We work hard while the legislature is in session. Couldn't we head off these legislative crises with advance planning? Let me suggest a program of educating the people so the bills will either not be introduced or it will be immediately apparent that they are unsound, not just for the agents and the companies, but for the public?"

R. Edwin Wood, Phoenix Mutual, San Francisco, suggested that local associations identify themselves with community projects, like the community chest, red cross, and the like, as good public relations. Many local associations use advertising space in local papers, usually built around a prepared mat furnished free by NALU. However, there is danger to an association's tax-exempt status if the association treasury pays for an advertisement that has the members' names listed. Presentation of National Quality and LUTC certificates can be made the basis of news stories.

E. C. Schroder, New England Life, Appleton, Wis., advised having a well stocked treasury and spending money in ways to bring best results.

John A. Schneider, Connecticut General, Baltimore, said that even small associations can have dynamic programs by interested and careful planning on the part of the program committee.

Philip A. Hoche, Kansas City Life, Orlando, Fla., said the state association's new bylaws apportion voting strength in the election of state officers according to membership of associations as reported to NALU by March 31. Other membership building aids include holding special meetings for newly licensed agents and starting LUTC classes.

## N. J. Gives Blue Cross Rate Rise But Less Than Asked

Commissioner Howell of New Jersey has approved an increase of 18.5% in Blue Cross hospitalization rates, effective July 1. Blue Cross asked for 28.9%. (Mr. Howell recently approved only a part of an increase asked by rating bureaus on automobile coverages.)

Admitting that New Jersey Hospital Service plan presently has rather low reserves, he said he thought the increase would insure the continued solvency of the plan and its ability to pay proper claims to subscribers. He said he realized the serious impact of increased rates on many persons, in the low income groups especially. "It is my best considered judgement that an average increase of 18.5% will insure the plan's solvent operation for a period of the next two years."

Labor, hospital groups and Blue Cross officials have suggested that a committee be appointed to study the whole problem of continued rising

costs of hospitalization and related problems—"in order to hold rates within the ability of subscribers to pay." Mr. Howell thinks this is a good idea but has not decided on the composition of such a group.

### Cancel Contracts

In December, the Passaic and Perth Amboy general hospitals announced they were cancelling their contracts with New Jersey Blue Cross because the plan made inadequate allowances for the payment of hospital services and care.

In January, the New York department turned down an application for a increase in rates by Associated Hospital Service of New York but promised to watch its free surplus and to consider another application for a rate increase when this fund faced exhaustion.

### LOMA Grads To Hear MacDonald

NEW YORK—Society of LOMA graduates will have as its speaker Roy A. MacDonald, managing director of Life Office Management Assn. at its April 9 dinner meeting, at Schrafft's Restaurant, 221 West 57th street. Mr. MacDonald will talk on "People Make Our Business."

## Washington-Baltimore Congress Speakers Listed

WASHINGTON—The annual Baltimore-Washington sales congress, to be held here at the Shoreham hotel April 24, will have as speakers Edmund L. Zalinski, vice-president of Life of North America; Charles B. McCaffrey, partner in Seefurth, McGiveran & McCaffrey of Chicago and Milwaukee and former director of advanced agent training in the Northwestern Mutual home office; Warren A. King, insurance merchandising director of Life magazine; John J. Plumb, vice-president and director of agencies of Paul Revere Life, and Bernard C. Lewis, agent of Prudential in Newark.

## Complete Merger Of Indiana Insurers

Stockholders have been notified that the merger has been completed of Citizens United of Indianapolis into Citizens National Life. The auto business of Citizens United has been reinsured by Central National of Omaha, and Citizens United Life reinsured the A&H business of Citizens United.

A combined statement will go to stockholders in April or May, President John Wilkins has announced.

## Senate Bill Requires Pension Fund Reports

WASHINGTON—The Senate labor and public welfare committee has favorably reported Senate bill 2888 providing for registration, reporting and disclosure of employee welfare funds and pension plans.

Sen. Allott of Colorado has another bill under which SEC would regulate these procedures. Funds and plans would come under this bill if they operate in interstate commerce, if their sponsors are in such commerce, or if they are exempt from federal taxation. Plans would be exempt if run by federal or state government or if a part of workmen's compensation programs, and would not be subject for the first two years if more than 100 employees are concerned.

Guardian Life will hold a reception and dinner April 10 to celebrate completion of its new Minneapolis agency office building, and to honor Norman Remole, manager in Minneapolis for 30 years, and his brother Arthur, who was co-manager until his retirement.

You'll enjoy "The Twentieth Century" Sundays, CBS-TV



## Our agents have 38 million "assistants"

Prudential's powerful, full page, full color advertising campaign in Sunday Supplements sends 38 million advertising impressions into American homes each month. Actually, Prudential advertising goes a lot further than that, because our Sunday evening CBS-TV show "The Twentieth Century" is seen by almost 10 million families each week. All these "assistants" help Prudential Agents in their constant efforts to bring more protection to more families.



## The Prudential

INSURANCE COMPANY OF AMERICA

## Keane, Dean Of Mass. Mutual GAs, Retires

NEW YORK—Donald C. Keane, dean of Massachusetts Mutual Life's general



E. Lloyd Mallon



Donald C. Keane

agents, has retired as head of the New York agency at 37 West 43rd street after 32 years of service.

E. Lloyd Mallon, who has been associated with Mr. Keane for nine years, will continue as general agent in association with Robert Curran Jr., who has been appointed general agent. The office will be known as the Mallon-Curran agency.

Mr. Keane, who entered the busi-

ness in the famous New York general agency headed by his uncle, L. A. Cerf Sr., opened a general agency for Massachusetts Mutual in 1925 in partnership with Lloyd Patterson, now retired. In 1935 Mr. Patterson was named to head another New York City agency. In 1949 Mr. Mallon joined Mr. Keane. Mr. Keane is immediate past president of the Massachusetts Mutual general agents association.

Mr. Mallon was an assistant trust officer with National City Bank in Cleveland for nine years before entering life insurance in 1933. He joined Massachusetts Mutual in 1937 as assistant director of agencies and was appointed general agent in Milwaukee in 1946.

Mr. Curran was with Penn Mutual as a brokerage manager before joining Massachusetts Mutual Life. He has been associate general agent in the Keane agency since 1950. He is a past president of New York City Life supervisors Assn. and served as chairman of the local Life Underwriters Training Council.

Republic National Life has been licensed in Wisconsin.



Home office and Chicago personnel pictured at the open house marking the opening of new ground floor quarters at Chicago for the Robert M. MacCallum agency and Chicago group office of Washington National. From left: R. J. Wetterlund, chairman; Frank O. Watt, Chicago group supervisor; Mr. MacCallum, Kenneth J. Mullins, vice-president ordinary agencies; Paul Watt, president; I. A. Maher, 3rd vice-president ordinary agencies; Charles T. McEwen, regional director group, and Ralph C. Knoblock, 2nd vice-president group. Located on the main floor of City National Bank building, the new quarters are believed to be unique in this respect for a life agency in the downtown section of the city.

## Continental Assur. In Officer Changes

Stockholders of Continental Assurance at their annual meeting this week elected Dr. Clifton L. Reeder to the board. He is vice-president and medical director and succeeds as a director the late Dr. Harry W. Dingman, formerly vice-president.

At the board meeting Willard N. Boyden, vice-president and director, was elected vice-president and secretary. Christian L. Strom and Loren G. Logan were named associate actuaries; John J. Feeley and Harold J. Witthoft assistant secretaries; Leroy Botkin and Herbert L. DePrenger assistant actuaries.

## Williams Named V-P By Connecticut General

(CONTINUED FROM PAGE 2)

in Hartford civic work. In addition to being Yale alumni board chairman he is a director of the Yale alumni fund and a member of the Yale university council. He was secretary of his class for 25 years, is a former class agent, past president of the Yale Club of Hartford and was a member of the organizing committee of the Yale placement service after World War II.

On the civic front, Mr. Williams organized the Hartford Hospital Assn., a fund-raising adjunct, and served six years as its first president. He has been a director of Hartford Hospital since 1943. An organizer of the Civic Music Assn. of Greater Hartford, he served as its first president and now is a director. In 1954 he was finance chairman in Connecticut for Citizens for Eisenhower. He is president of the board of trustees of the Ethel Walker school of Simsbury, Conn., and is a trustee and member of the advisory board of the WALKS Foundation, an eleemosynary organization representing five independent boys' secondary schools in the area.

## K. of C. Sales For 1957 Incorrectly Headlined

Knights of Columbus 1957 sales, while correctly shown as \$138,903,000 in the text of an item in the March 22 issue of THE NATIONAL UNDERWRITER, were headlined as \$38,903,000. Also the society's aggregate of loans on Catholic Church and institutional property, shown in the item as \$4 million, is actually \$400 million.

## Boston Top Big City In Sales Rise Ratio For Ordinary Lines

Boston led the larger cities in percentage increase in ordinary sales for February and for the first two months of the year, according to LIAMA. It showed a 30% increase for February and a 31% increase for the two months.

Following are the percentage increases for the year and the first two months, respectively, for the seven other largest U.S. cities: Chicago —9 and —1; Cleveland 14 and 9; Detroit 5 and 5; Los Angeles 5 and 9; New York City 15 and 24; Philadelphia—5 and —1; St. Louis 8 and 10.

Quaker City Life of Philadelphia has reinsured all weekly industrial life, A&S and hospitalization business of Florida Sun Life of Fort Lauderdale and Haven Ins. Co. of St. Petersburg. This will give the company branch offices in Miami, Orlando, Fort Lauderdale, Jacksonville and Tampa.

**WE'RE  
GROWING!**

**come  
along  
with us!**

**during 1957**

**INSURANCE  
IN FORCE  
Increased 24.7%  
to \$282,397,376**

**NEW SERVICES**  
Pre-authorized check plan; Guaranteed Issue plan; Family Rider; Return of Premiums Riders; Group Creditor Insurance—PLUS many new policies to meet today's changing needs!

**AGENCY FORCE  
Increased by 58%!**

**OVERSEAS  
EXPANSION**  
We're now serving Europe and the Far East!

**HOME OFFICE  
EXPANSION**  
20% increase in personnel plus new Home Office addition!

**UNITED LIFE and  
ACCIDENT INSURANCE  
COMPANY**

Concord, N. H. Est. 1913



LET US GIVE YOU  
COMPLETE DETAILS  
ON HOW YOU, TOO,  
CAN EXPAND YOUR  
HORIZONS WITH  
AGGRESSIVE, GROWING  
UNITED LIFE —  
WRITE NOW!

Write H. V. Staehle, Jr., C.L.U., Field Management Vice Pres., United Life, 5 White St., Concord, N. H. STATES SERVED: Cal., Conn., Del., D. C., Me., Md., Mass., \*Mich., N. H., N. J., N. C., \*Ohio, \*Pa., R. I., S. C., Vt., Va.

\*General Agency opportunities available

Are You a  
**"Free  
Lancer"**



... one of those versatile, rugged individualists who is frankly in this business for the money?

**Then we want YOU**  
... and, when you learn about our astonishing new "4-Star Contract"...

**You'll want US!**  
Write (strictly confidential) to  
Evans M. Jacobson, Supt. of Agents

**Mutual Savings Life**

Opportunities in  
Arkansas, Indiana,  
Iowa, Kentucky,  
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Missouri, Ohio.

**Mutual  
Savings  
Life**

St. Louis 12, Mo.



Working the  
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**WIDE**  
coverages  
**WIDE**  
acceptance

Widespread promotion of family type coverage has conditioned many of your suspects and prospects to desire the unusual benefits of The Ohio National Life's Family Circle Plan. There aren't any frills to Family Circle—but there are many real advantages to it—maximum protection, low premiums, attractive dividends, rider and conversion privileges, and complete family market coverage. Extra firepower is provided by a dynamic, full-color point-of-sales presentation that's always on target.

These and other features give Family Circle a tremendous production record. Don't take our word for it—ask any Ohio National Life General Agent.

Illustrations courtesy of The Champion Paper and Fibre Co.

  
**THE Ohio National Life** INSURANCE COMPANY • CINCINNATI

## Program Ready For Zone II Conference

Commissioner Gold of North Carolina, chairman of zone II of National Assn. of Insurance Commissioners, has issued the agenda for the zone II meeting April 16-18 at John Marshall hotel in Richmond.

The afternoon of April 16 a sub-

committee of NAIC headed by Parker of Virginia will discuss procedure of convention examinations.

April 17, Robert E. Dineen, vice-president of Northwestern Mutual Life, will discuss the advisability of a professional research staff for the NAIC. The group will deal with ways of furthering adoption by the states of NAIC's model credit life and A&H bill. There will also be a discussion

of what to do about wholesale cancellations of auto liability risks. At noon there will be a discussion of fictitious fire and casualty groups.

After lunch, conventioners can take a trip to Williamsburg, play golf or visit the Liggett & Myers plant.

On April 18 commissioners will deal with independent filings. There will be a report on the zone II rate supervisors meeting.

## Two A&H Groups At L. A. Elect, Hear Gifford

A&H Managers Club of Los Angeles has elected Earl Montgomery of Provident Life & Accident as president, George Williams, Hartford Accident, vice-president, and Calvin L. Smith of Charles O. Finley & Co. secretary, at a joint meeting with Los Angeles A&H Underwriters Assn., which elected Frances Sandidge of Massachusetts Protective and Paul Revere Life as president. Edmon L. Porter, Washington National, vice-president, and Jack Roelsson, Washington National, secretary-treasurer.

The new president is reported to have the distinction of being the first woman to be elected to the presidency of an accident and health underwriters association in the entire country. Brokerage manager for the Milton L. Rose general agency of the two companies, she has been active in A&H insurance for a number of years.

Speaker at the meeting was Bruce Gifford, manager of International Assn. of A&H Underwriters, who expressed gratification over the enthusiasm of the California associations for the A&H business, saying that it was not so all over the country. He said 90 associations were affiliated with the international and said California leads all other states in this respect. He mentioned the changes taking place in the industry, and that, because they may become dangerous, are a challenge to the industry and that the local associations must meet this challenge. The industry must drop the selling idea and adopt the buying one, he said. He stressed the necessity of professional status for those in the A&S business and urged the adoption of a new selling technique.

# "Today men of all ages are getting a new slant on life insurance!"

Thoughts on how to preserve  
what you've worked to win

from **PAUL BEKINS**, President,  
Bekins Van and Storage Company  
of Iowa;

Bank and corporation director

"As a businessman, I have always felt that life insurance is good business for a young and growing family.

"But as a bank director who is particularly concerned with trust affairs, I have also been impressed with the important job that life insurance can do for the plans of older men.

"As years pass, a man accumulates assets of various kinds which he hopes to leave to his family. And, even though his estate be modest, there is one special 'heir' he must always consider—the tax collector. Unless there is enough money on hand, something will have to be sold, perhaps at a sacrifice.

"Life insurance can anticipate this situation and keep a man's estate intact by providing the needed cash for such taxes. I don't think any security program today can be considered complete unless it safeguards itself this way."

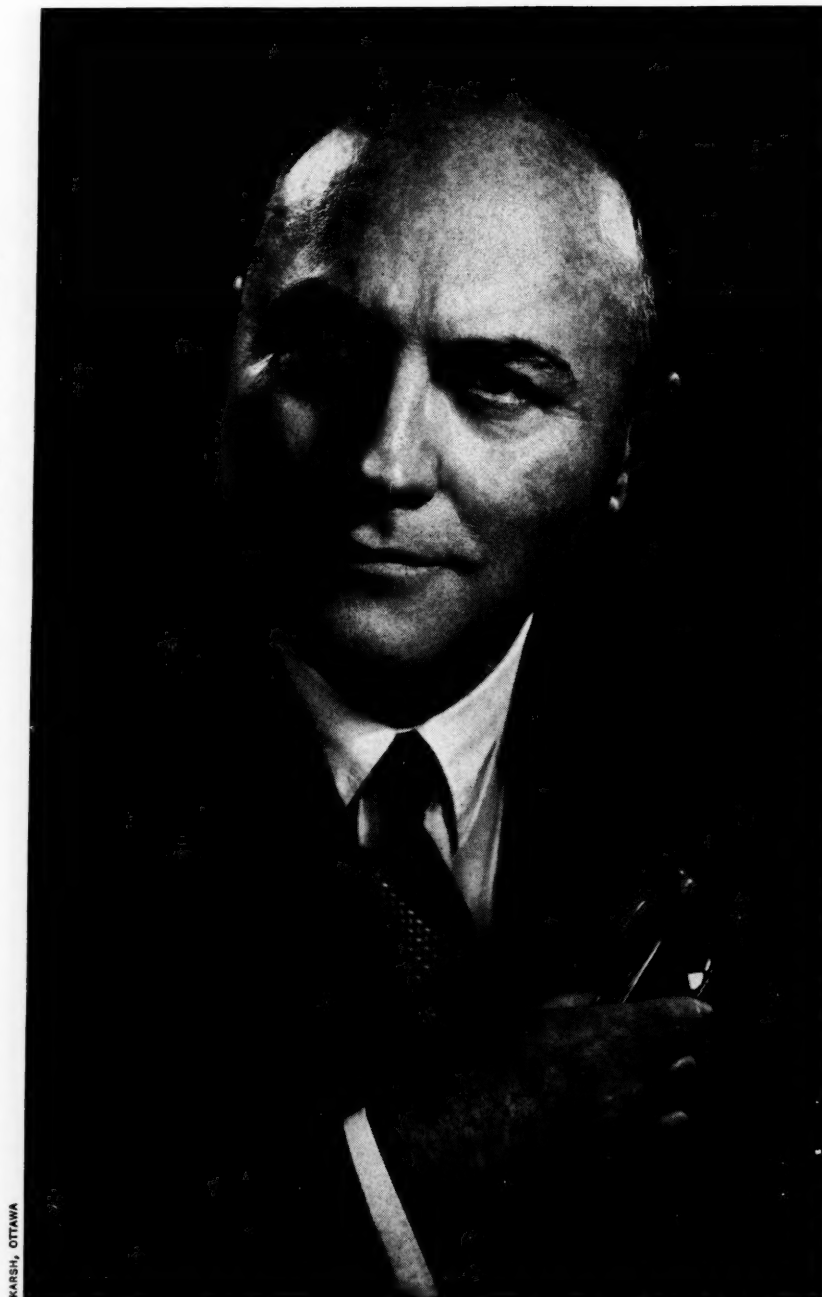
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HOW LONG IS IT SINCE  
YOU HAVE REVIEWED YOUR  
LIFE INSURANCE PROGRAM?

**B**IRTHS, deaths, marriages, changing needs, taxes... all affect protection plans. A life insurance program needs review at least every two years.

You'll find real assistance when you call on a Northwestern Mutual agent. His company is one of the world's largest. It offers many advantages, including low net cost.

Northwestern Mutual was the company that pioneered Quantity-Earned Savings—the principle that reduces cost on all policies \$5,000 and up. And now this QES principle has been extended to include older premium-paying policies, regardless of how long ago they were written.



A NORTHWESTERN MUTUAL POLICYHOLDER. Mr. Bekins has made special provisions to protect his estate with life insurance

**The NORTHWESTERN MUTUAL Life Insurance Company**  
MILWAUKEE, WISCONSIN

AS ADVERTISED IN TIME AND NEWSWEEK

## Will To Succeed Marks Good Supervisor: Hoyer

The common denominator of success among agency supervisors is a burning desire to succeed, William B. Hoyer, general agent of John Hancock, Columbus, told members of General Agents & Managers Assn. of Indianapolis at their March meeting.

When choosing a supervisor, look for a man with three to six years of good personal production, age 28-34, with a pattern of success behind him and who wants to go on in management, he advised.

Mr. Hoyer reported that he has shifted from verbal agreements with supervisors to written agreements which spell out the conditions and duties. Such agreements avoid misunderstanding, he said. The agreements he now uses in his agency cover duties, territory, past production of the territory and expected future production, recruiting quotas, compensation, required records and reports, personal conduct, working hours, dress and grooming, and vacations. Each supervisor is also supplied with a handbook of operations, he added.

In the area of supervisor compensation, Mr. Hoyer reported that he is using a salary plus incentive bonus arrangement and does not allow a supervisor to split a case with another person.

## To Study Recodification Of Laws In Georgia

Before the Georgia legislature closed down it adopted a resolution authorizing a complete recodification of all insurance laws and appropriated \$50,000 for the purpose. A revision committee composed of house and senate members and representatives of the insurance business was authorized by the resolution.



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## Modern Woodmen Show Big Gains For 1957

Modern Woodmen of Rock Island, Ill., has reported assets exceeding \$204 million at year-end following a gain of nearly \$5 million in 1957. Insurance in force gained \$20 million during the year, and totaled \$612 million in December.

Of the total assets, 59% or \$121 million are invested in bonds, and first mortgage loans total \$48 million. Certificate reserves were \$157 million at the close of 1957, an increase of more than \$1 million for the year. Contingency reserves were \$26 million, compared with \$25 million at the close of 1956.

The average interest rate was 4.24%, with total investment income exceeding \$8 million. Premium income was \$15 million, bringing aggregate income to \$24,866,877. Disbursements were \$20,585,143.

Dividends to members increased by \$900,000, with total payments to policyholders and beneficiaries exceeding \$14.9 million.

## Supreme Court To Hear FTC Appeals Early In April

WASHINGTON—The week of April 7 the U. S. Supreme Court will hear arguments in two cases involving the question of Federal Trade Commission jurisdiction in the insurance business. The cases are those of National Casualty and American Hospital & Life.

Both have been appealed by the government from appeal court decisions holding against FTC jurisdiction. The government agency is awaiting the high court's decision as a clue to its further activities in the A&S field and, indirectly, in other insurance matters.

Kamaaina agencies, Honolulu general agency for General American Life, was the company's top producer of paid life volume in January. Other top agencies, in order of qualifications, were: Texas-Gulf Coast agencies, Houston; Strauss agency, Des Moines; the Pittsburgh office; Van Horn agency, Cleveland; Brem & Klein agency, Washington D. C.; Gilles agency, Columbus, O.; Rosenthal district agency, St. Louis; Ogle agency, Birmingham, Ala.; and Clark district agency, St. Louis.

## PILOT LIFE HANDLES GROWING BROKERAGE BUSINESS



The Big Plus company, multiple-line Pilot Life, can satisfy the needs of brokers for many unique Pilot insurance plans.

These plans include the most modern life insurance plans—up-to-date, low cost plans. Pilot Life pays 4% interest on life insurance funds left on deposit—a high return per dollar invested.

Pilot Life plans include Major Medical that fills heavy demand among groups for complete flexibility, 20-40 small-group plans, accident and sickness plans with guaranteed weekly indemnities, blanket accident insurance for campers, 4-H groups, scouts, amateur baseball teams and school children.



## Pilot Life Insurance Company

LIFE, GROUP, ACCIDENT & SICKNESS  
PILOT TO PROTECTION FOR OVER FIFTY YEARS

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Shenandoah Life has come up with a corker of a Field Sales Program designed for the man in the field — to give him what he wants — when he wants it.

- Quick service in setting up life programs to fit individual needs
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## Symposium Studies Companies' Use Of Research Tools And Services At LIAMA Chicago Conference

A review of how companies use Life Insurance Agency Management Assn. research tools and services to boost volume and maintain persistency was made in a symposium at the recent LIAMA agency management conference in Chicago.

Participating in the symposium were James E. Scholefield, vice-president and director of agencies North American L&C., Richard N. Lewis, vice-

president and agency director Great National Life, Hal D. Wallace, superintendent of agencies Monarch Life, and Vincent L. Rocereto, vice-president and agency manager, American Home.

Supervision is apparently the most neglected activity in life sales management, Mr. Lewis observed in his discussion of the LIAMA Sales Method Index, an instrument for analyzing

agent's weaknesses and strengths from a record of his selling attempts. Before adopting the use of the index, it seemed that agents, and often managers, tended to interpret the word "supervision" as being synonymous with "policing." Too many of our people thought of a supervisor as the "tower guard" at a penitentiary rather than as a coach of a baseball or football team, he said.

"In our organization we have defined supervision as 'diagnosis, plus a rehearsal of training,'" he added.

"Today there are two points that we

continually emphasize when discussing the subject of supervision:

1. We must deal with facts.
2. It is the responsibility of the agent to furnish these facts regarding his methods and performance; it's the manager's responsibility to analyze these facts, diagnose and prescribe.

If supervision is the diagnosis of an agent's performance, Mr. Lewis said, it is fundamental that you must deal with facts, not guess work. If supervision is to be based on knowledge of the man and how he works, it is elementary to say that you must have facts. For supervision to be effective, it must be factual and it must be interesting, to both the agent and the manager.

"With all of the emphasis on facts, it seemed to us that we had the choice of using the SMI or providing one manager for each agent," he declared. "Today we are spending more time convincing the agent that we are prepared to offer specific help in getting him established in the life insurance business, if he will assume the responsibility of furnishing the facts about his methods and activities. And this is discussed before he is contracted."

### Cannot Help Without Information

The manager and the company cannot help without information as to activity and results. Therefore, during every man's first contract and/or until he is free of financing or indebtedness to Great National Life, he is required to maintain daily reports which are given to the manager not later than Monday morning of each week, a Sales Method Index, and prescribed files and records.

Another reason for detailed facts about a man's methods and activities, he explained, is that in his organization, supervision comes from two sources—the manager and the agency field assistant, a man who is in the position of a home office supervisor. It is difficult to blend the efforts of two men attempting to supervise a third man, and it's almost impossible unless you deal with facts.

New men maintain "Calls to Clients," a Sales Method Index, and at the end of each quarter, managers are asked to send in a Traindex on each man after making a comparison with the previous one submitted.

"Our managers do not like detail work and records any better than anyone else, but they buy the idea of using your head more than your feet."

### Not A 'Miracle Drug'

Mr. Lewis pointed out that the SMI is not a "miracle drug"—it will not do the difficult job of supervising. It simply furnishes the facts which, in turn, require careful analysis and interpretation.

Mr. Wallace described a study his company is doing in cooperation with LIAMA on the Canadian Information Index. Discussing the objectives of this study, he mentioned that LIAMA is concerned with how insurance knowledge relates to a man's field performance and Monarch Life is interested in this general problem but more specifically in finding out how knowledge relates to persistency. To find out what these relationships are, the association is going to ask a number of questions, he said.

"Is the performance of our agents with respect to volume, premiums and persistency consistent from year to year? Why do we ask this particular question? Because if performance is not consistent, we cannot predict it."

(CONTINUED ON PAGE 14)

# GENERAL AGENT OPPORTUNITY

## CAN YOU PROSPECT?

Do your prospects come directly from your own effort, ability and imagination and not from office leads, your supervisor, your manager?

*Can you show others "how to"?*

## CAN YOU TELL A CONVINCING SALES STORY?

If you're doing well right now with what you've got, you'll do better with our proven competitive merchandising plans featuring dismemberment—lifetime income—top value income settlement option—and the premium payment plan of the future, Check-O-Matic.

*Can you inspire and show others "how to"?*

## CAN YOU COMPETE?

Do you enjoy competing with others? More important, do you compete with yourself?

*Can you instill this spirit in others?*

## DO YOU REALLY WANT TO EARN MORE MONEY?

Do you want to earn top present and future dollars for your own personal "know how" and for your ability to show others "how to"?

## HERE'S YOUR ANSWER!

Highest lifetime service fee in the business to adequately compensate the career underwriter—fully vested renewals for 9 years—top 1st year commission on par and non-par policies—agency office allowance—non-contributory pension plan—operating capital for new agents.

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STATE MUTUAL'S

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As any alert life agent or broker knows, it takes a policy with dynamic sales power to give your income a real boost. And State Mutual of America — a company that helps you sell successfully — has such a policy now in the EQUITY BUILDER WHOLE LIFE POLICY.

The EQUITY BUILDER has been field-tested and has emerged as one of the fastest-selling policies in our entire portfolio.

Designed to answer the policyholder's need for high cash values in early years, it offers a whole range of outstanding features including an unusual death benefit that returns the full face amount plus the cash value for death occurring prior to age 65. This \$25,000 minimum policy is flexible, saleable, up-to-the-minute.

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Don't miss learning about how you can boost your income. Mail coupon today for our free booklet describing the EQUITY BUILDER in detail.

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Please send me full information about your new Equity Builder policy that is also highly adaptable to Split Dollar and Key Man sales.

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## Pan-Am Life Marks 47th Anniversary

NEW ORLEANS—Pan-American Life marked its 47th anniversary at ceremonies in the home office auditorium, with particular tribute to the sole surviving founder and its original president, Crawford H. Ellis.

Acting as chairman, R. L. Hindermann, vice-president, public relations, recounted the company's growth under Mr. Ellis's leadership, with more than \$1,060,000,000 in force and assets exceeding \$202 million.

Senior Vice-president Friend W. Gleason recalled the company's early days and presented a birthday cake to Mr. Ellis on behalf of the directors, officers and employees. Mr. Ellis received from Senior Vice-president John Y. Ruddock a bouquet of yellow roses. Kenneth D. Hamer, vice-president and agency director, presented Mr. Ellis an armful of special applications and announced that in number and volume they exceeded last year's, an indication that the current president's month campaign would exceed the record set last year. Fritz G. Lind-

ley, vice-president, Latin-American department, handed Mr. Ellis numerous wires and cablegrams from the Latin-American offices, with felicitations and assurances of exceeding last year's production. J. B. Donnally, vice-president, group and pension, informed Mr. Ellis that the regional group offices had closed 17 cases totaling \$15,289 in premiums and \$5,942,357 in volume in March.

In his response, Mr. Ellis said he knew all these efforts were not only for him but also in memory of Edward G. Simmons, Marion Souchon and Eugene J. McGivney, who had joined with him 47 years ago in the venture that now is Pan-American Life.

## Hale To Address N. Y. City Life Managers

NEW YORK—Stanton G. Hale, vice-president for sales of Mutual of New York, will be the speaker at the luncheon meeting of New York City Life Managers Assn. April 11, at the Brass Rail restaurant. He will speak on sales management trends in the life insurance business.

## Third-Day Speakers For LIAMA A&S Meet

Walter F. Schmitz, assistant vice-president, A&S Sales, Occidental of California, will open the final session of LIAMA's A&S conference Wednesday morning, April 16, at Chicago with a discussion of methods of developing better A&S persistency.

A forum on present and future trends in A&S coverages will have J. E. Rawles, 2nd vice-president of Lincoln National, as moderator. Charles N. Walker, assistant vice-president of Lincoln National, will discuss A&S substandard; Henry R. Roberts, secretary in Connecticut General's accident department, will discuss individual major medical.

The A&S family policy will be covered by Rex H. Anderson, vice-president of North America. Robert B. Hamor, vice president and director of agencies of Continental Assurance, will discuss expense insurance for older people.

Closing speaker will be Ardell T. Everett, 2nd vice-president Prudential.

**"I thought all Life Companies were the same!"**



All Life Companies are, of course, similar in many respects. They all have policy contracts, rate books, proposal forms . . . assets, liabilities, home offices, and home office personnel.

But, in one important way they differ. Life Companies, like people, have personalities. They have beliefs and philosophies.

Here at Union Mutual, it is our philosophy to *build men* not "push them." Through the best sales tools and careful training, guidance and supervision, we help our field men to become better salesmen. With consideration and understanding, we build them, both in stature and income, to where they are happy members of their community — a credit both to themselves and to the name of Union Mutual.

## UNION MUTUAL

LIFE INSURANCE COMPANY OF PORTLAND, MAINE

Offering All Forms Of  
LIFE NON-CAN GROUP

Rolland E. Irish, President — John R. Carnochan,  
Vice President in Charge of Agencies

LIFE UNDERWRITERS SINCE 1848



Where the convention season

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For complete information, address:  
Charles L. Norrell, Director of Sales, The  
Greenbrier, White Sulphur Springs, West  
Virginia, or inquire of reservation offices at:  
New York, 17 East 53rd Street;  
MU 2-4300; Boston, 73 Tremont  
Street, L4 3-187; Chicago,  
77 West Washington Street,  
RA 6-0625; Washington, D. C.,  
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The Greenbrier offers an outstanding location for your next convention. The newly completed, air-conditioned West Wing provides meeting rooms for groups up to 1000 and includes such features as a brand new auditorium with a 42 foot stage, the latest P.A. systems and projection equipment, a theater with Cinema-Scope screen, and superb arrangements for banquets. Don't overlook either, the marvelous sports and recreational facilities, the courteous service, comfortable guest rooms and wonderful dining that have made The Greenbrier world-renowned as America's Informal Business Capitol.

WHITE SULPHUR SPRINGS • WEST VIRGINIA



## Specialists Shirk Work. Agent Tells Indiana Caravan Sales Congress

Many "specialists" in the life field are merely trying to by-pass hard work, E. Rice Ripley, National of Vermont, Roanoke, told over 1,000 agents at the three stops of the Indiana Caravan Sales Congress. The caravan stops were at Indianapolis, Evansville, and Elkhart, March 27-29.

Mr. Ripley said that the public is served best by the life general practitioner. Only a few metropolitan areas of the country can support true specialists, he claimed. In other areas, the man who can prescribe packages, do any type of programming, understand business structure and how life insurance can strengthen it, and initiate the estate-planning case, renders the greatest service.

Other featured speakers on the caravan program were Harold Petersen, superintendent of agencies A&S, American United Life, Indianapolis; W. J. Clark, superintendent of agencies Massachusetts Mutual; and W. Walter Smith, Metropolitan, Rutherfordton, N.C.

### Urges NALU Support

Speaking at the luncheon sessions at each stop, Oren Pritchard, manager Union Central, Indianapolis, NALU vice-president, warned association members not to complain about NALU actions unless they attended NALU meetings and voiced their views. Leon Lawhead, general agent National of Vermont, Indianapolis, state association president, termed social security the biggest threat to the business; called for legislation prohibiting credit insurance commissions being paid to banks, loan companies, or their employees; blasted jumbo group and group-on-group; and urged members to "clean house" on their own "unethical, selfish sales practices."

Mr. Petersen, in a talk entitled "An Open Letter to My Wife," described how he told his wife, several years ago, why he was in the A&S business. He closed with the story of a family's downfall when the breadwinner was disabled, revealing at the end that the man was his own father.

### Wants Old-Fashioned Key Man

Mr. Clark pleaded for what he called "old-fashioned key man business insurance," meaning insurance sold to give a business cash on the loss of an owner, part owner, or key man, and not for "the jazzy reasons." He said, "Unless you understand the fundamental principle that a business which has just lost a key man but has a few thousand to a few hundred thousand dollars sitting on its balance sheet has few troubles with creditors and executors, you'll get in trouble when you try to sell key man for the tax angles. Unless the company owns the policy, pays the premiums and is the beneficiary, you have an abortion that can lead to difficulties," he warned.

Mr. Smith asserted that salesmen are the prime movers of business. "Without salesmen," he said, "the whole economy would grind to a halt. No matter how good the balance sheet, if someone isn't out selling, the business will eventually bog down." He also pointed out that as long as a man does no more than he is required to do, he is a slave. "Only when you do more than required are you free," he said.

All American L.&C. of Chicago is now licensed for A&S and life in Nevada, bringing the total to 24 states in which the company is licensed.

## Beneficial Standard Life Shows 1957 Increases

Beneficial Standard Life, according to the annual report of Edward D. Mitchell, chairman, had life sales during 1957 of \$48,573,552 as against \$28,109,160 in 1956. Life in force reached \$132,266,906 as compared to \$97,160,944 at year end 1956, an increase of 36%. Benefits paid to policyholders and beneficiaries were \$6,043,697, an advance of 10% over the \$5,480,063 paid out the previous year.

Earnings for 1957 of \$1,727,575 as against \$2,386,852 in 1956 were largely attributed to the demands on surplus due to accelerated expansion.

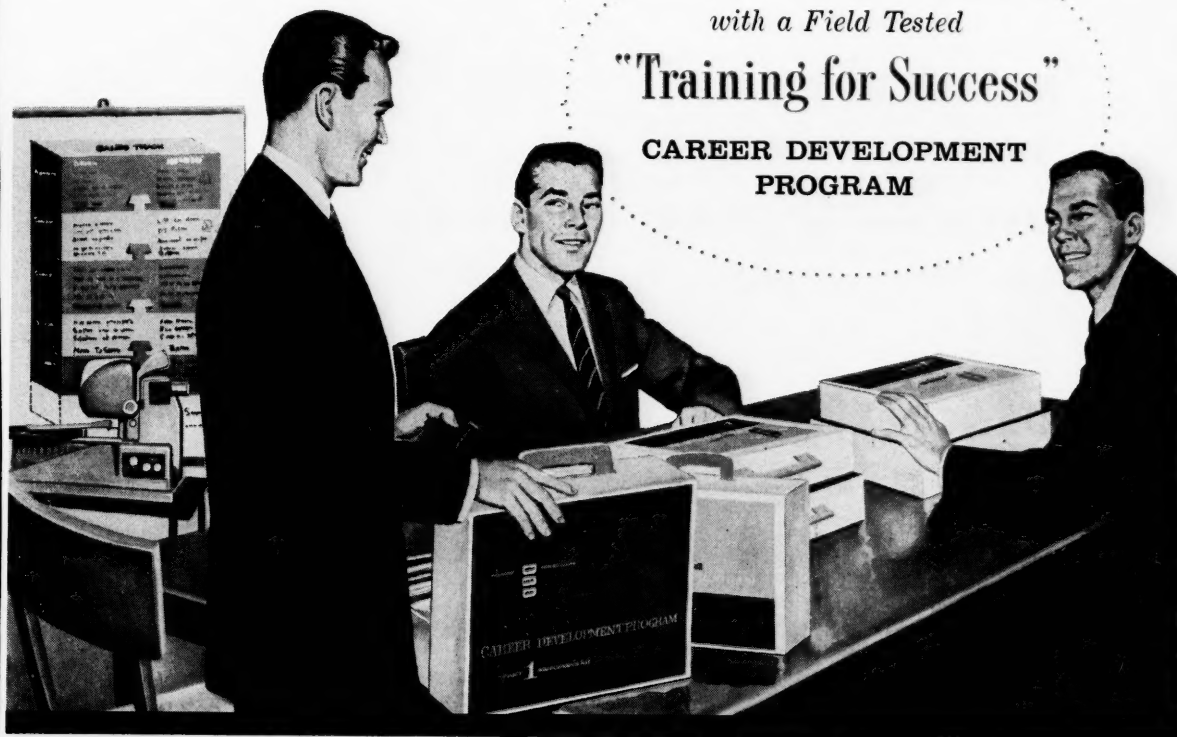
### Addresses Milwaukee GAs

Sid Horman, vice-president of Time of Milwaukee, discussed "Why Life Insurance?" at the March meeting of Milwaukee Life Managers & General Agents Assn. His talk presented a new viewpoint since Time has only recently entered life insurance in addition to its original A&H lines.

## N. J. Gets Bill For Audit Of Insurer By Directors

A bill has been introduced in New Jersey empowering the insurance commissioner to require an audit of insurers doing business in the state by an internal audit committee composed of directors of the company but excluding its officers who are directors. This committee would be required to make internal audits of companies at regular intervals and make regular reports to the board, with suspension of license as the penalty for failing to do so.

## How Pacific Mutual does more for its Agency Managers



with a Field Tested  
"Training for Success"  
CAREER DEVELOPMENT  
PROGRAM

### MODERN SALES AND TRAINING TOOLS

Highlights of Pacific Mutual's "Training for Success" Program are the Audio-Visual Training and Sales Tools featuring:

- Automatic sound-slide training films •
- Dynamic sales films in full color •
- A lightweight portable projector •
- (used in prospect's home or office)



Many months of research and field testing went into the "Training for Success" Career Development Program. The objectives were:

1. A basic, easy-to-sell package—"Planned Income Property"—designed to assure substantial early production for the new Agent.
2. A continuous training program that makes a natural transition into programming and advanced underwriting.

A companion program is the "Selection for Success" Agency building program.

...a Company that looks to the future!

**Pacific Mutual**  
Life Insurance Company  
HOME OFFICE: Los Angeles, California

1868

## Study Use of LIAMA Research Tools And Services

(CONTINUED FROM PAGE 10)

If it is consistent, then we ask the next question—"What is the relationship between knowledge and production, premiums, commissions, number of policies, and average size case?"

In the past, LIAMA has been able to relate knowledge only to such things as persistency and production volume. In this study, they are going to be able to ask these questions:

Do knowledgeable agents produce more premiums?

Do they earn more in first-year commissions?

Do they sell more policies?

Is knowledge, as measured by the Information Index, more important for the young man than the older man?

Is knowledge more important for the relatively inexperienced man than for the seasoned veteran?

Thirdly, we are sure knowledge is related to persistency—but how much knowledge is necessary? That is the

question we are asking. Does an agent have to be an expert or is a sound grasp of the fundamentals sufficient?

Another question concerning the relationship of insurance knowledge to persistency is even more detailed. Does the importance of knowledge for good persistency vary with the man's markets or merchandising methods?

### More Essential In Some Markets

Insurance knowledge is more essential in some markets than in others, Mr. Wallace declared. It may be that high insurance knowledge is essential for an agent in an urban market, but is of less importance for an agent in a rural market, or the reverse could be true; or markets may have no effect whatsoever on the relationship between insurance knowledge and persistency; that is, it may be essential in all markets. These same questions can be extended to include other per-

formance measures such as volume, premiums, and commissions.

Previous studies, he observed, have shown that on an over-all basis, the amount of insurance information a man has is not related to his production. "Using the same kind of analysis, I am sure you can see that even though this is true in general, it may not be true if we look at the man's knowledge and production in relation to his market; knowledge may lead to high production in an urban market but not in a rural market."

### Cannot Be Answered

Specific answers to detailed questions such as the ones raised in this study cannot be answered definitely in one research project, he declared. However, through a series of studies of this type, agency officers will begin to get the kind of information necessary to make better decisions about training—how much, what kind, for whom, at what point in the career, and why!

Mr. Scholefield discussed persistency rates and company validation, and Mr. Rocereto spoke on the consultation call.

## Old Line Life Reports Good Year

Old Line Life has reported life sales during 1957 were \$24,212,795 which was comparable to the high recorded during 1956. Insurance in force at the year end totaled \$200,179,582.

Assets at the end of 1957 registered a gain of \$2,196,327 and now total \$59,394,390. Surplus, including capital, for the protection of policyholders totaled \$4,039,000 or 6.8% of assets. Payments to policyowners and beneficiaries during 1957 totalled \$3,582,416. Of the total benefits paid, \$2,310,821 or 64.5% went to living individuals.

### Income Was \$8,268,107

Income for the year was \$8,268,107, consisting of premiums and other policyowner payments of \$6,194,709 and returns on investments of \$2,073,397. The average interest rate realized on new investments was 4.7% against 4.2% the previous year. Bond acquisitions for the year amounted to \$2,260,000 while new first mortgages totaled \$4,343,914.

## Meet the leaders of the Men with The Guarantee

### 30 MILLION DOLLAR AGENCIES



E. J. Knutson  
Portland — \$4,787,857



R. J. Rothaus  
Greeley — \$4,486,043



J. V. Clevenger  
Fort Wayne — \$4,310,035



Anthony Novara  
Detroit — \$3,815,840



E. D. Stemsrud  
Minneapolis — \$3,279,722



Bert Chan Wa  
Honolulu — \$3,204,533

and

C. M. Leonard  
Tulsa  
B. S. Gorfaine  
Los Angeles  
J. N. Osterud, C.L.U.  
Spring Valley  
F. D. Savage  
Dallas  
C. A. Story  
Sidney  
E. E. Findeiss  
Wichita  
Jack Lifszitz  
Akron  
F. R. Flinders  
Burbank

B. R. Gadd  
Lincoln  
Irwin Ruppel  
Denver  
T. C. Huff  
Topeka  
V. R. Morris  
Grand Island  
C. C. Preston  
San Antonio  
F. A. McDonna  
Bismarck  
R. O. Kiplinger, C.L.U.  
Omaha  
L. D. Shearer  
Oklahoma City

B. J. Majors  
 Fargo  
C. M. Ruff  
Salt Lake City  
Woodrow Mann  
Little Rock  
N. P. Smith  
Lawton  
D. M. Hake  
Kansas City  
W. E. Whitaker  
Oskaloosa  
M. C. Ebers  
Fremont  
O. L. Ugland  
Grand Forks

We are proud to salute these thirty top general agencies—an increase of ten million-dollar-plus agencies last year over 1956. This sales growth of Guarantee General Agencies reflects the benefits of our agency-building program.

For further details, write directly to  
J. D. ANDERSON, Agency Vice President  
1805 Douglas Street, Omaha 2, Nebraska

R. E. KIPLINGER, President



Shown at the agency management conference of LIAMA are, left to right: Charles H. Heyl, Bankers Life of Nebraska; William R. Davis III, Commonwealth Life; and E. A. Frerichs, Security Mutual of Binghamton. Mr.

Heyl was moderator at a workshop session, Mr. Davis is a past conference chairman, and Mr. Frerichs is a director of LIAMA.



## Mr. President !!!

## Your Company Will Earn More Money If You Let Foundation Handle Details . . .

Foundation is a new kind of organization with a new concept of service for the life insurance industry.

• Insurance company clients of Foundation Life Insurance Service Co. are well above the average in growth and earnings when compared with the rest of the life insurance industry. And there's a good reason why.

The executive personnel of these client companies are free to concentrate on sales, sales and more sales. Foundation takes care of all the home office detail work, and does it less expensively.

For instance, Foundation will process your applications, issue your policies, mail your premium notices, audit and pay your bills, and do your premium and general accounting.

We'll relieve you of the burden of these home office chores and save you money on administration expense. More important, you and your executive personnel will be able to devote all your efforts to building sales.

Write today and let us show you what we can do for your company.

## Foundation Life Insurance Service Company

Box 321, Northside Station

Atlanta 5, Georgia



Year

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# Our Record in 1957



- **A NEW BUILDING.** The planning and bringing to completion in 1957 of our enlarged and modernized Home Office building has been an exciting project.
- **INCREASE IN BUSINESS.** A 32.7% increase in issued life insurance over the preceding year is encouraging evidence of the esteem in which our product and our service is held by policyowners in 22 states.
- **INSURANCE IN FORCE.** Lutherans now own over \$435,000,000 of Lutheran Mutual life insurance. By the end of 1958, we will be near the half billion mark.
- **ASSETS.** Our assets now amount to \$89,963,601, an increase of over \$8,000,000 in the last twelve months.
- **INCOME.** Total for 1957 was \$15,383,496, up from \$13,868,953 in 1956.
- **SURPLUS FUNDS.** An important part in the stability of any life insurance company is surplus. Our unassigned surplus is now \$6,983,355.

## Lutheran Mutual

**LIFE INSURANCE COMPANY**

Home Office • Waverly, Iowa

## Changes In The Field

### Standard Of Oregon

William H. Barton has been named manager at Yakima, Wash. He will serve eastern Washington except Spokane.

### Kansas City Life

John R. Lahey has been appointed general agent of a new agency serving eight counties in northeastern Pennsylvania, with offices in Scranton. He entered the business 10 years ago, and has been chiefly in Chicago.

Occidental Of California

### William L. Scruby

William L. Scruby has been named general agent in Mission, Kan. He has been managing the life department of a Kansas City agency, and before that

was an agent there for Aetna.

Robert F. Savage has been appointed manager of a new branch office at Stockton, Cal. He joined the company in 1951 and prior to his appointment was assistant agency manager at North Hollywood.

### Central Standard Life

Joseph A. Hoffman has been named supervising general agent in Columbiana, Mahoning, and Trumbull counties of Ohio, with offices in Columbiana. He has been with the company as general agent 15 years.

### Massachusetts Mutual

David P. Buchanan has been appointed general agent at Bangor, Me. for Massachusetts Mutual. He has been assistant general agent there since last June. He succeeds Calvin L. Frayle who because of physical disability has asked to be relieved of management responsibilities and will become associate general agent, devoting his time to life insurance selling and serving his present clients. He has been general agent for Massachusetts Mutual in Bangor since 1949. Mr. Buchanan has previously been in the life insurance business in Houlton and Bangor for Mutual Benefit Life.



David P. Buchanan



Con Kelleher

Con Kelleher has been appointed general agent in charge of Montana operations for Massachusetts Mutual with offices in the Electric building in Billings. The head of this new agency is a CLU and a past president of both the Billings and Montana life underwriters associations and of the Billings chapter of National Sales Executive Club. A life and qualifying member of the Million Dollar Round Table, he was formerly with Western Life of Montana at Billings.

### Great-West Life



Herschel H. Norman

Herschel H. Norman has been appointed manager of a new branch office at Peoria, the second Great-West Life agency in Illinois. He has been in the life business in Peoria since 1947.

### Life Of North America

David T. Conlin has been appointed manager of Life of North America's Washington, D. C., agency at 1001 Connecticut avenue, N. W. He entered life insurance in 1949 with Monarch Life, later becoming agency secretary, manager of selection and general agent. Most recently he has been superintendent of agencies of Acacia Mutual.



David T. Conlin

### American United Life

Lloyd A. Nelson has been appointed agency manager of American United in Omaha and Council Bluffs, Ia. His territory will include five Nebraska and six Iowa counties. Mr. Nelson has been a life agent and supervisor since 1947.



L. A. Nelson

### John Hancock

Joseph E. Keefe, formerly district manager in Bridgeport, Conn., has

During 1957

## REPUBLIC NATIONAL LIFE INSURANCE COMPANY

### ROLLED OUT THE RED CARPET FOR 13,000 VISITORS

The year 1957 was a busy one for the Republic National Life Insurance Company and a very successful year in terms of significant gains. New life insurance issued showed a 52 per cent gain and resulted in a total of \$643,412,296.00. An increase of \$413,348,437.00 life insurance in force brought the total to \$1,581,541,209.00, thereby exceeding the company's most optimistic hopes. As a result the prediction of Two Billion of life insurance in force by December 1959 has been moved ahead a full year. Furthermore, with this amount of life insurance in force, the company now ranks among the top 55 in the nation.

Meanwhile the company enjoyed the pleasant privilege during the year of playing host to some 13,000 visitors who called at the company's home office out on North Central Expressway. No matter what their mission, they all agreed "the coffee was warm and so was the welcome."

### A CONTINUOUS RECORD OF PROGRESS SINCE 1928

YEAR	NEW LIFE INSURANCE ISSUED	GAIN IN LIFE INSURANCE IN FORCE	TOTAL LIFE INSURANCE IN FORCE	TOTAL INCOME	ASSETS
1928	\$ 1,005,000.00	\$ 1,005,000.00	\$ 1,005,000.00	\$ 139,041.32	\$ 10,620.33
1938	19,251,350.00	14,348,833.00	30,101,508.00	2,815,950.91	3,422,881.92
1948	36,082,505.00	23,949,639.00	136,402,364.00	5,053,954.61	19,333,434.72
1955	333,596,539.00	222,279,523.00	916,290,534.00	19,835,357.15	72,864,207.72
1956	423,771,609.00	251,902,238.00	1,168,192,772.00	24,332,593.29	77,343,129.00
1957	643,412,296.00	413,348,437.00	1,581,541,209.00	30,097,512.05	83,383,608.38

Paid to Policyowners and Beneficiaries Since Organization \$84,957,906.02

Paid in 1957 — \$16,531,544.41

Represented by Trained Fieldmen in 38 States,

District of Columbia and Hawaii

## REPUBLIC NATIONAL LIFE INSURANCE COMPANY

Home Office: Dallas, Texas





been transferred to Fort Lauderdale, Fla. by John Hancock to open a new district office. He has been with the Hancock since 1952 and has qualified each year for the president's club awards.

#### Lincoln National Life

Harold J. Adams has been named general agent in Corpus Christi, succeeding W. F. Wilson, who has represented the company there since 1954



H. J. Adams



M. T. Griffin

and is resigning as general agent to concentrate on personal sales. Mr. Adams entered the business three years ago, serving as agent for one year and then as assistant agency manager.

Melton T. Griffin, who joined Lincoln National last year, has been named general agent in Tulsa. He replaces Arch Booth Jr., who has resigned to spend full time in the general insurance business. Mr. Griffin entered insurance in 1950 as an agent in Texas.

David P. Rankin has been appointed assistant general agent with D. C. Fields & Associates, representing Lincoln National in Springfield, Ill. He entered the business in 1947 at Mt. Carmel, Ill., and joined the Fields agency in 1954.

Four agency supervisors have been appointed: R. R. Dunfee and Ben W. Roush of the home office agency; Robert C. Bevis of the Tuvey agency, Sacramento, Cal.; and Shirley R. Dashiell of W. L. Pool & Associates, Norfolk, Va. Mr. Dunfee joined the agency in Fort Wayne in 1955. Mr. Roush has been with the agency since 1949. Mr. Bevis entered the business in 1949 and has specialized in selecting and training new agents. Mr. Dashiell, who has been in insurance since 1932, joined Lincoln National at Norfolk in 1947.

#### Ohio National Life



Richard P. Miller

Richard P. Miller has been appointed general agent at Ann Arbor, Mich. Prior to joining Ohio National, he had been with Aid Association for Lutherans for seven years.

#### United Benefit Life

Louis P. Morrison has been appointed general agent in Davenport, Ia., replacing H. M. McComas, who is retiring after 33 years with the company. Mr. Morrison has been with United Benefit since 1952, most recently as district manager at Grand Rapids, Mich., for the E. B. Brink agency



L. P. Morrison

#### Old Line Life

David M. Lawrence has been appointed general agent at Beverly Hills Cal. He entered insurance in 1930 and has been with Aetna Life for over two years in New York and Guarantee Mutual in Los Angeles as an assistant general agent.

#### Western Life

Thomas J. Curley was named general agent of Western Life at St. Paul. He was formerly agent and supervisor with Penn Mutual.

#### Sun Life Of Md.

Alvin L. Fox and Merle I. Franklin, who operate the Underwriting Advisors Inc. agency at 2101 South Taylor road, have been appointed general agents in Cleveland by Sun Life of Maryland. Mr. Franklin was formerly with Equitable Society. Mr. Fox started with Metropolitan in 1950 and later became an insurance consultant but more recently has been brokerage manager for John Hancock.

Jack Firkser has been named general agent for Sun in the greater Washington area with offices at 2304 Wilson boulevard in Arlington, Va. He was formerly with the Washington agency of Aetna.

#### Pacific Mutual Life

Donald R. Harrington has been named central regional special pension representative for the group department. He will supervise sales and service on retirement and profit-sharing plans administered by Pacific Mutual throughout that area. Formerly

assistant manager of the St. Louis group office, Mr. Harrington will continue his headquarters there.

#### Bankers Life Of Iowa



R. E. Olson

R. E. Olson has been named assistant agency manager of the company's Des Moines agency. He has been a field supervisor since 1956 and joined the company in 1954. During 1955 he was fifth ranking agent nationwide.

#### Aetna Life

Albert H. Kalkbrenner Jr. has been appointed general agent of a new office at Tampa. He was formerly associate general agent at Minneapolis, instructor at the home office school, and supervisor at the Cincinnati agency.

#### Prudential

George H. Lawrence has been named manager of Prudential's Mus-

kegon office. He succeeds Theodore J. Beck who transferred to Detroit as manager of Prudential's newly established Riverview district. Mr. Lawrence joined the company in Grand Rapids in 1932, as an agent and was named staff manager in 1941.

#### Equitable Of Iowa



M. G. Harper Jr.

Matthew G. Harper Jr. has been appointed general agent of Equitable of Iowa at Roanoke, Va. He became an agent of Provident Mutual in Birmingham in 1954 and supervisor for that company at Tuscaloosa, Ala., in 1957.

#### Western & Southern

Cecil R. Young has been named assistant superintendent of combination agencies. He began with the company as agent in 1946 and has been in charge of training in the Pennsylvania office. He will supervise training and development at the Beverly Hills divisional office.

## LNL's NEW FAMILY POLICY

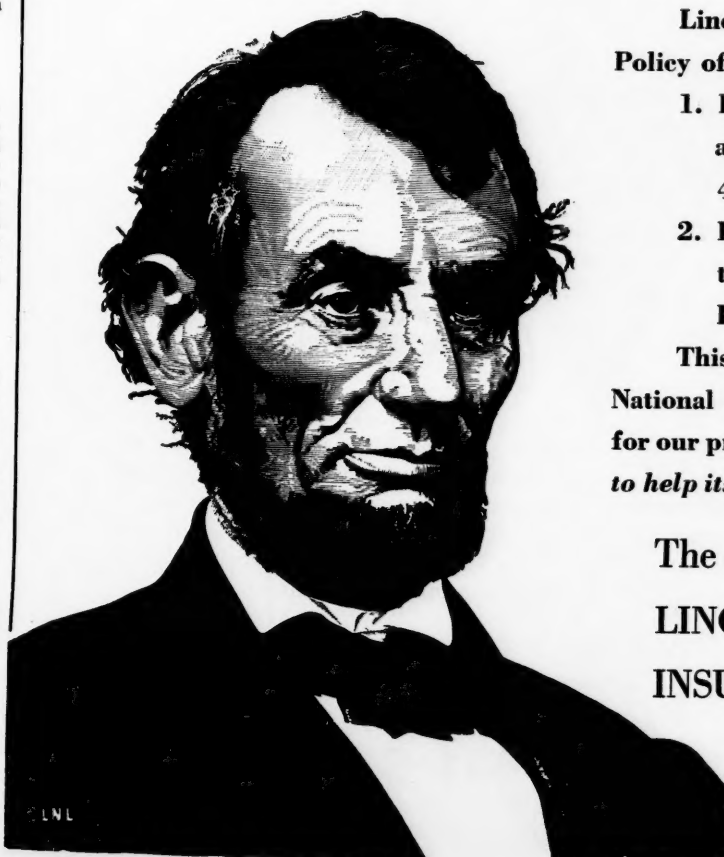
Lincoln National's new Family Policy offers these advantages:

1. Lower rates on larger policies are provided by LNL's new 4-Dimensional premiums.
2. Premiums can be paid through LNL's Automatic Bank Check plan.

This latest addition to the Lincoln National man's kit is another reason for our proud claim that LNL is geared to help its field men.

The  
LINCOLN NATIONAL LIFE  
INSURANCE COMPANY

Fort Wayne, Indiana  
Its Name Indicates Its Character



LNL

## Home Office Changes

### United States Life

United States Life has made these promotions: **John E. Gray**, formerly group actuary, and **William Igleheart**, formerly assistant treasurer, to assistant vice-presidents.

**Alex Mutch** and **Irwin Vanderhoof**, both assistant actuaries, to associate actuaries.

**Saul Lesser** and **Anthony Stilo**, both assistant counsel, to assistant general counsel.

**Robert G. Haack**, with the company since July 1956, to controller in charge of general accounting.

**Alfred S. Rosenfelder** has resigned from Continental Casualty to join United States Life as planning manager.

### John Hancock

Second vice-president **Vernon D. O'Neil** has been given new responsibilities in the over-all operation of John Hancock's policy department as part of a realignment of the department designed to effect more efficient grouping of allied operations.

Assistant secretaries **Robert G. Ward** and **Benjamin D. Carey Jr.** will be on special assignments with the staff of Noel S. Baker, vice-president in charge of the policy department. Assistant Secretary **Robert L. McVie** has been assigned to the ordinary policy

department as department manager with **Clarence E. Overlock** and **J. Winston Ramee** as assistant department managers.

### Northwestern Mutual Life

**Miss Louise M. Newman**, personnel director and the first and only woman officer of the 101-year-old company, has retired at age 60. Joining Northwestern in 1937 as assistant personnel director, she became director in 1938 and has been responsible for the administration of all company policies dealing with personnel. **Miss Newman** plans a tour of Europe for eight months.



Louise Newman

**Arch C. Clark**, an assistant secretary since 1946, has retired after more than 47 years with the company. An authority on settlement option plans for payment of life insurance proceeds, Mr. Clark started in Northwestern's secretarial department in 1910. He was appointed a company officer in 1946.

**J. G. Brown** has been named assistant director of agencies. He previously had been a special agent with the Guy E. Morrison general agency of the company at Indianapolis since 1949. A CLU, he was formerly an officer of Life Underwriters Assn. of Indianapolis.

### Massachusetts Mutual

**Donald E. Temple Jr.** has been appointed group secretary of Massachusetts Mutual. He joined the company in 1946 when its group department opened and has been associate group secretary since 1956. He is chairman of Massachusetts Mutual's general committee.



Donald E. Temple Jr.

### Pacific Mutual Life

Four promotions in the group department have been made recently: **Ivan D. Pierce**, secretary group pension sales and service; **Blackburn H. Hazlehurst**, group pension actuary; **Harry Pflaumer**, secretary group claims division; and **Harry G. Bubb**, secretary group field service.

Also promoted were **Herbert H. Samuels**, supervisor group pension underwriting; **Albert J. Russavage**, supervisor group pension administration; **Parvis Ghaffari**, assistant supervisor group pension calculations; and **R. Beryl Webb**, assistant supervisor policy accounting department.

### Pan-American Life

**Phillip J. Zernott** has been made manager of machine operations by Pan-American Life. He joined the company last year as supervisor of machine operations after more than 15 years in this work with the U.S. government and private industry. He is a charter member and past president of the New Orleans chapter of National Machine Accountants.

## A Service Guide A

### ACTUARIAL COMPUTING SERVICE, INC.



1389 Peachtree Street,  
N. E., Atlanta 8, Georgia,  
P.O. Box 6192, Tel.  
TRinity 5-6727.

**MORRIS KORELITZ**  
of Wayne, Michigan,  
was leading manager in both  
volume and per man basis.

**FRANK P. CARUSO**  
of Wayne, Michigan,  
was leading associate mgr.,  
combined production points.

**SALVATORE P. MANCUSO**  
of Cleveland 32,  
was the second leading  
associate manager.

**PAUL S. CULPEPPER**  
of Augusta, Georgia,  
was leading agent,  
combined production points.

**EDWARD H. CHRISTMAS**  
of Detroit 31, was  
second leading agent,  
combined production  
points.

# THE LIFE

# INSURANCE COMPANY OF VIRGINIA

Here are the five top leaders in Life of Virginia's Combination Division. In 1957, each of these men, either personally or as an Agency Leader, established an outstanding sales and service record.

Theirs is the kind of performance and leadership which carries Life of Virginia protection to an ever growing public . . . and makes this company more and more "The Natural Bridge to Security" for individuals and their families.





## New England Life

Aubrey F. Horton has been elected group secretary. Formerly director of group sales, he joined New England Life as superintendent of group pension sales in 1955, becoming director of group sales in 1956.

Richard M. Rohn becomes director of group sales and Robert W. Judd director of group A&S underwriting and administration. Mr. Rohn joined New England Life as district group manager in Chicago in 1953 and was transferred to the Boston home office as assistant director of group sales in 1956. Mr. Judd joined the company in 1955 as group term underwriter in charge of group term and A&S underwriting and claims.

## Mutual Of New York

Monroe M. Diefendorf, assistant manager of the New York (Durning) agency of Mutual of New York, has been promoted to market development project supervisor at the home office. Mr. Diefendorf, the third generation of his family to represent Mutual, joined the company in 1948, becoming assistant agency manager in 1950.

## American Travelers

Maxwell P. Connolly has been named superintendent of agencies and Clair O. Curry assistant superintendent of agencies. Mr. Connolly has had 12 years managerial experience, and Mr. Curry has been in life insurance 10 years, the past six with Connecticut General Life.

## National Of Vermont

Robert Henning of Beloit, Wis., for the last seven years an agent of the Milwaukee agency, has been added to the home office agents training staff of National Life of Vermont. He is a CLU and last year qualified for the company's top production organization.

## Zurich Life

W. W. Chalmers, assistant vice-president and counsel, has been named vice-president and counsel; Lewis F. Miller has been named vice-president, and Calvin M. George has been named associate counsel.

## Western Life

Robert E. Olson has been named general agent at Aberdeen, S. D. Prior to his appointment, he was district manager there for Penn Mutual Life.

**FIRST PYRAMID LIFE**, Little Rock—Herbert L. Thomas Jr., formerly vice-president and agency director, has been elected executive vice-president and agency director. Frank N. Gordon Jr., who has been with First Pyramid for five years, has been elected vice-president and actuary. J. F. Hudson Jr. has been promoted to assistant vice-president for group and hospitalization.

**CAPITOL LIFE**, Denver—Randell E. Ericson has been elected to the board and named controller. He is presently assistant treasurer and will continue in that capacity. Charles Buell, acting actuary since September, has been named actuary. Melvin J. Roberts is resigning as vice-president and treasurer. He will continue on Capitol's board. Thomas F. Jones, executive vice-president, will serve as Capitol's treasurer.

## Form Houston Life Assn. Branch

A newly organized branch association of Houston Assn. of Life Underwriters was organized at Baytown with the following officers: E. G. Clarke, American General Life, president; J. Bryan Stratton, Lincoln National Life, 1st vice-president; and Stanley Henson, Metropolitan Life, 2nd vice-president.

## ALC Regional Hears Siegel Business Talk

Business maladjustments are in the course of being eliminated, but these processes will take time to complete, John B. Siegel Jr., vice-president of Life of Virginia, told the regional meeting American Life Convention at Sir Walter hotel in Raleigh, N. C.

Mr. Siegel, who is chairman of the convention's financial section, pointed out that "it is unlikely consumer spending will pull us out of the downward trend. Rather it appears more certain daily that government action and government spending offer the best hopes of halting the decline in the months immediately ahead. The prospects of a reduction in federal income taxes are becoming a definite possibility."

In contrast to the declining factors in the economy, he pointed out the slow but steady increase in dollar spending on the part of the consumer, the indications of an upswing in steel operations from a current status of about 50% of production capacity, and the impending increase in federal spending. He opined there was no evidence indicating a real or sustained revival in the months immediately ahead and was doubtful whether the end of the decline or "bottoming out" will produce a strong immediate recovery, noting, however, that no one questions the ultimate recovery.

In describing money market conditions and the outlook for interest rates, Mr. Siegel said the Federal Reserve system has adopted a policy of "credit ease". The slide in business, accompanied in turn by a policy of definite easing of credit would only point towards lower interest rates throughout the economy.

"However," he said, "the steady demand for capital on the part of the public utilities industry, the long deferred backlog of municipal financing and the increased needs of the federal government all point to little diminution or slackening of the demands on the accumulated savings of the nation."

Jack Peckinpugh, general agent for Indianapolis Life at Muncie, Ind., spoke at the March luncheon meeting of Milwaukee Assn. of Life Underwriters.

# CAREER Opportunity

## IN OKLAHOMA CITY

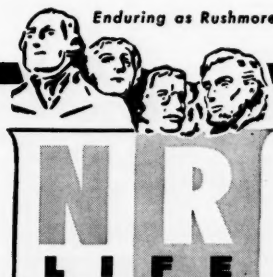
FOR THE MAN READY FOR

### General Agent Operation

In progressive, prosperous Oklahoma City we have available an unlimited opportunity for the man whose experience and ability qualify for General Agent recognition.

National Reserve Life, with over \$222,000,000 Insurance In Force, is continuing a dynamic expansion program throughout its operating territory from California to Florida. Don't overlook this tremendous opportunity in Oklahoma City!

Tested sales aids plus complete home office cooperation are yours. Write today for detailed information. Correspondence in complete confidence.

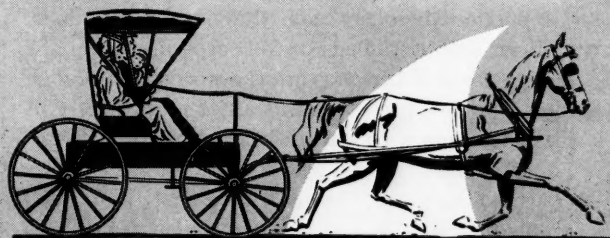


H. O. CHAPMAN,  
President

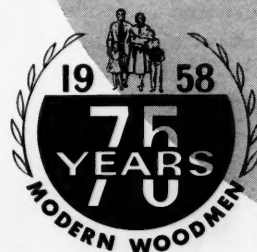
S. H. WITMER,  
Chairman of the Board

## NATIONAL RESERVE LIFE INSURANCE COMPANY

TOPEKA • SIOUX FALLS



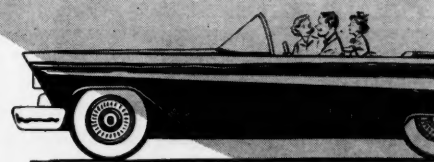
## Safeguarding the Financial Security of the American Family Since 1883



## MODERN WOODMEN

of America

HOME OFFICE • 1504 Third Avenue • ROCK ISLAND, ILLINOIS



## Record Attendance For Annual Meeting Of LIC

(CONTINUED FROM PAGE 1)

fice established by the Connecticut companies was cited by Mr. Cummings to illustrate some of the things he thought should be done and he commended the companies of that state highly for their action.

"Our only sin is not telling the many great things our industry has done in helping the growth and stability of our country," he said.

In 1957, almost \$20 billion of the \$45 billion ordinary written was term or temporary insurance. This tremendous volume was written at a low commission for the agent. It will have a high lapse or not be converted at maturity because it was sold on a price basis and not because of a prospect's specific need. The time has come to stop the race for volume, he declared.

Mr. Cummings said he was concerned about the number of special policies that are being issued and it is hard for him to understand a difference in premium for the same policy based on amount of insurance alone. "I do not believe we are in the business of offering bargains such as furniture and appliance stores or by issuing policies on a cut rate basis," he stated.

Agents cannot be expected to go out and do a real selling job and make less money for their efforts.

In the all-out worship of size, alone, quality is neglected. "If we do a qual-

ity business and give proper and honest service, the size of the companies will automatically increase and that will be a growth that we can all be proud of," he declared. "... We have a great responsibility to the small purchaser of insurance. Every company represented in this room, and all of the others spread across the country, have been built by the sale of small policies. Give the small policyholder service and understanding. He is the backbone of our business ... Let's forget about being big, let's remember how strong we are and the great things that are accomplished through life insurance."

Because the life insurance business is growing, healthy and successful, it



## why we spell MONY without the "E"

"MONY," our modern nickname, didn't just happen, it was created to meet a need. Time was when our corporate title had strong identity, because ours was the first mutual life insurance company in America to offer life insurance on the mutual principle to the general public.

But as the first hundred years rolled by, many other mutual life insurance companies sprang up and our natural nickname, "Mutual Life," began to lose its individuality. This created confusion with our policyholders and also with

the public. Obviously, something had to be done.

The more we studied our full corporate name, the more evident it became that the words "Mutual Of New York" seemed to set us apart most clearly. A little doodling with our initials led us to "MONY" ... as in cold cash.

MONY now provides us with a short and memorable brand name which is convenient for us, and for our more than one million policyholders as well. It also clearly describes our principal service ... money for future delivery.

# MUTUAL OF NEW YORK

The Mutual Life Insurance Company Of New York, New York, N.Y.  
Offices located throughout the United States and in Canada

FOR LIFE, ACCIDENT & SICKNESS, AND GROUP INSURANCE  
**MONY TODAY MEANS MONEY TOMORROW!**



is quite natural that it will be looked on from some quarters with envious eyes, Martin B. Williams, executive vice-president of LIC, declared in his annual report. Some of the advertising copy commonly seen in the business can be misunderstood by some segments of the public because it looks very much like "financial muscle flexing" done without realizing the import it may have on the uninformed.

In such an atmosphere, created unintentionally, it is difficult for the business to get a fair and equitable tax law.

Legislation to liberalize social security coverage and benefits may be expected because of determined pressure from labor unions.

Though this year is a light one from a state legislative standpoint, state governments need money for expanded services in the social, educational and welfare fields. Insurance continues to be the most likely target for increased revenue coming in the form of premium and related taxes. Keeping the "house of state supervision" in order is the best and only sure defense against federal intrusion and possible federal supervision. Supervisory and regulatory legislation should continue to be studied with the utmost care.

He stated that life and accident & health insurance made great strides last year and the business as a whole should have a very good year in 1958.

The reasons for the success of the debit agency system are just as valid today as they ever were, Frederic W.



Sun Life of Canada  
representatives sold

**917  
MILLION  
DOLLARS**

of life insurance during the past year, the largest amount ever sold by a Canadian life insurance company and a proud achievement for our entire field force. Sun Life insurance in force now stands at:

**\$7<sup>3</sup>/<sub>4</sub> BILLION**

Paid to Sun Life policyholders and beneficiaries in 1957:  
**\$155,111,192**

Total benefits paid to policyholders since organization:  
**\$3,295,955,574**

Dividends to be paid to policyholders during 1958:  
**\$34 million**

**SUN LIFE ASSURANCE  
COMPANY OF CANADA**

Coast to coast in North America

**MANAGEMENT  
CONSULTANTS**

**O'TOOLE ASSOCIATES**  
Management Consultants  
To Insurance Companies  
Established 1945  
220-02 Hempstead Avenue  
Queens Village 29, N. Y.

**BOWLES, ANDREWS & TOWNE, Inc.**  
ACTUARIES  
MANAGEMENT CONSULTANTS  
LIFE—FIRE—CASUALTY  
EMPLOYEE BENEFIT PLANS  
RICHMOND ATLANTA NEW YORK  
PORTLAND

CONSULTANTS  
IN MARKETING AND  
FOR THE MANAGEMENT  
INSURANCE BUSINESS  
**FRANK LANG & ASSOCIATES**  
ONE NORTH LA SALLE ST. 521 FIFTH AVENUE  
CHICAGO 2, ILLINOIS NEW YORK 17, N.Y.

Ecker, president of Metropolitan Life, declared, listing nine major reasons why this is true. The continuing success is predicated, he said, on the basis of a constant effort to conduct all operations in the best interest of policyholders, who render the final judgment on the success or failure of the system.

"I believe," he said, that we are justified in the expectation that our continued use of the system, adjusted from time to time in methods and products to meet the changing market, safeguarded by financial policies that are beyond reproach and conducted in the interest of our policyholders, will bring to our companies prosperity and a measure of success far beyond our expectations."

The system was originally developed to meet the insurance needs of the lower income groups; it continues to meet those needs and also their needs as their incomes increase and as they are better able to purchase larger amounts of insurance, he stated.

#### Has Created Confidence

Because it has served a need, it has created confidence in life insurance among the great mass of our people.

The system is the best developed for conservation of life insurance because the agent's calls serve as a constant reminder and are of inestimable aid in keeping policies in force.

By this means the agent is able to make periodic checks of the family's insurance requirements and to add additional coverage as conditions warrant.

The system permits, because of frequent personal calls, a unique personal relationship between policyholder, agent and company. The agent comes to be regarded as a personal family counsellor, with accrual of prestige and good will to the company.

The agent is provided almost automatically with prospecting leads and an intensive cultivation of the potential market within the debit is made possible.

The system given an assured income and employment security to the agent as well as giving him recognition and satisfaction in a job well done.

A frailty of human nature is counteracted. The desire to save for a rainy day, constantly exposed to the enticing competition of consumer goods, is fortified by the knowledge that the agent will call to receive the premiums before the money is spent, and this unquestionably strengthens the resolve to put aside the necessary money each week or month.

#### Feels He Is Helping Others

In teaching the habits of saving and the merits of thrift, the agent feels he is helping others in a real sense in a very important way by helping to keep homes together, educate children, provide emergency funds and funds for retirement years, thus enabling him to derive great satisfaction out of his work.

The debit agency system is an expanding concept; its method of operation is an adaptable one, and its vitality is as great today as it was originally in 1854 when Prudential of London began its operations on that basis, Mr. Ecker said.

Half of all life policyholders have their insurance on a debit basis in the U. S. and Canada for a total of \$75 billion. Debit agents have taken an increasing interest in study courses. Of agents taking LUTC, they constitute 65% of the total and 35% of those who have studied CLU.

There is no justification for the

**FIDELITY**  
A WELL-BALANCED COMPANY



### Family Counselor . . .

The Life Underwriter helps in the making of plans for the welfare and security of the family.

Fidelity is proud of its life underwriters and family counselors and of the great job they are doing in the field.

**The  
FIDELITY MUTUAL  
LIFE INSURANCE COMPANY**

THE PARKWAY AT FAIRMOUNT AVENUE  
PHILADELPHIA • PENNSYLVANIA



**LOOK HERE!**

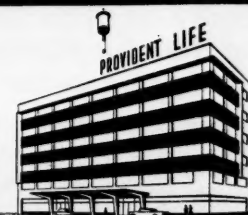
With a proven sales record, and if living in one of the Provident States\*, we may have just the opportunity you are looking for.

## WHY NOT HAVE?

- Your Own General Agency
- Top Commissions on Personal Production
- Vested Renewals
- Competitive Policies
- Powerful Sales Brochures
- Tops in Support from Home Office
- Growth with a Growing Company

Write in strict confidence to:  
Joseph Dickman,  
Agency Vice President

\*"THE PROVIDENT STATES"  
Minnesota, North Dakota, South Dakota, Montana, Wyoming, Idaho, Washington, Oregon, California, New Mexico.



**PROVIDENT LIFE  
INSURANCE COMPANY**  
BISMARCK, NORTH DAKOTA

LIFE  
ACCIDENT HEALTH

statement that group life has made inroads on personal life insurance. A University of Michigan survey showed that group-insured own more personal life insurance than non-group insured. With group accident and sickness, the situation is different. The time may come possibly when there will be group debits as more and more businesses acquire group coverage.

The last day's session was devoted entirely to an open forum. Richard B. Evans, president of Colonial Life, was moderator and kept the discus-

sion lively, interesting, and down-to-earth, with all of the comment off-the-record. The gamut of the discussion was wide and ranged from federal income taxation to policy plans to company-owned district office buildings. To stimulate attendance, an attractive model attired in a bathing suit paraded through the dining room prior to the meeting wearing a placard calling attention to the session.

In 1957, the family plan came in for much discussion at a similar session and it was evident then that it was

greatly upsetting to the business and causing consternation in both the home office and field. Since then, matters have settled down and the plan seems to have found a place in the sales equipment of many of the companies as another plan intended to meet specific family needs. While many executives are concerned over the term element, a great many companies are offering it and it is probable that more companies that do not yet have the plan will get into the field.

President Guilford Dudley Jr., Life & Casualty, chairman of the membership committee, introduced representatives of the new members, Freedom Life, Knights Life, Southern National, Tennessee Valley Life, and Western & Southern.

President-elect Evans had a birthday during the meeting and was presented a gift of his own hat and coat by W. A. Luhn, Atlantic Southern.

Deputy Life Commissioner E. A. Faircloth of the Florida department extended an official welcome to Florida at the opening session.

There were two panel discussions, one on agents' selection, training and compensation, and the other devoted to the same problems from the standpoint of the field manager.

The moderator of the agents panel discussion was David F. S. Johnson, vice-president and manager of agencies, Interstate Life & Accident. Members of the panel were James G. Bruce, vice-president and secretary Colonial Life; W. R. Lathrop Jr., executive vice-president Southern Life & Health; Stanley Y. Smith, manager of manpower development Liberty National, and Robert K. Zelle, vice-president agency manpower development, Life & Casualty.

#### Stresses Selection Standards

Mr. Bruce stressed the importance of having a definite recruiting program and selection standards. When exceptions are made, there is usually regret. It is good to make exceptions, however, when a man is exceptional. The most successful management does its recruiting in advance. Managers must continually prospect for agents.

His company, Mr. Zelle stated, defines training as anything that improves a man's performance.

Ninety per cent of agents fail as producers and not in servicing their debits. "What are we doing in collection training that we are not doing in sales training?" he asked. It was found that the training program was shortchanging the agent on sales training. Collection procedure was highly defined and the agent knew just what steps he should follow in 1, 2, 3 order. Life & Casualty set up a "work objective" which enables an agent to keep a record of his contacts, interviews, closes, and new prospects in an organized and systematic manner. A plan book was developed.

A prospect card was introduced which shows contacted, interviewed, closed, people to see in columnar form. The agent adds up his check-marks in each column at the end of the week and knows just how he stands in respect to his sales activity for the period. How much or how little activity and what his ratios are are clearly revealed.

Liberty National requires a plan book from everyone, Mr. Smith stated. Objectives are set up and the results published at the end of the year. The company is in its ninth year of a ten-year "integrated" program, planned to reduce agency turnover and increase the retention rate of business. Mr. Smith thinks it is beginning to pay off in accomplishing the intended results.

The company's average increase per debit last year was \$54 and agents in the business a full year earned on an average \$8,000. The agent is paid wholly on a commission basis, the same plan being followed whether the business is weekly premium, monthly premium or ordinary. The agent has got to believe in life insurance and show he owns a lot of it.

For its convention qualification, an agent must have \$3,600 earned-in-

## Mr. Agency Builder

# Clinch YOUR Personal Fortune with this Money-Making Magnet!



### STRONG PERSONAL PRODUCERS

who are especially interested in:

- Top Commissions on 10 Leading Policy Contracts.
- Vested Renewals plus Higher Life-Time Service Fees
- Non-Contributory Pension Plan for Personal Security.

*They Make Money—and You Make Money!*



### NEW AGENTS with CAREER AMBITIONS

who are especially interested in:

- A Fast, Easy-To-Learn Training System.
- Simple, Successful, Easy-to-Use Sales Packages.
- Substantial Early Commissions with Growth Opportunity.

*They Make Money—and You Make Money!*



### GENERAL INSURANCE AGENTS AND BROKERS

who are especially interested in:

- Ready-Made Sales Packages with Easy-to-Use Visuals.
- Every-Age-Demonstrator-Books for Quick, Easy Sales.
- Streamlined Rate Books for Maximum Production in Minimum Time.

*They Make Money—and You Make Money!*

**Friendly and Effective Home Office Field Help for YOU in Recruiting, Training and Building YOUR AGENCY!**

#### Agency-Building Opportunities in:

Alabama, Arizona, California, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Texas, Virginia, Washington D.C., and West Virginia

## COLUMBUS MUTUAL

The Golden Rule Life Insurance Company

Home Office: 303 E. Broad St., Columbus 16, Ohio

Frederick E. Jones, President;

Fred C. Adams, Sup't. of Agents

**Columbus Mutual's Contract, Sales Packages and Training Programs ATTRACT and HOLD every kind of Agent**

**PLUS**

**FOR YOU -- Liberal Agency Overwriting and Liberal Expense Allowance.**

*And*





Mr. J. R. Life  
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pocket sales commission. Liberty Na-  
tional believes the first three years  
of the policy are the vital ones and  
pays out all of its conservation com-  
pensation in that period.

Mr. Lathrop said a company must  
select the compensation system which  
best fits its method of operation,  
Southern Life & Health uses a mod-  
ified "times" contract. The "times"  
contract is simple and easy to under-  
stand. It gives emphasis to the type of  
contract the company wants to sell  
and is the best way to compensate  
agents on building debits. His com-  
pany's problem is to build the smaller  
debit to a profitable size. It has an in-  
spection system which uses managers  
or assistant managers who have 20  
years or more experience usually.

Mr. Johnson commented that the  
older manager as a group has been  
passed over too long. His company  
brings its older managers into the  
home office and they are given an in-  
tensive training course.

#### Peirce Is Moderator

Frederic M. Peirce, managing direc-  
tor Life Insurance Agency Man-  
agement Assn., was moderator of the panel  
on field managers. Participating  
were George F. Albright, agency vice-  
president Life of Virginia; P. Vernon  
Cox, vice-president Southland Life;  
Charles H. Kendall, executive vice-  
president industrial department Wash-  
ington National, and Rankin M. Smith,  
vice-president of field operations Life  
of Georgia.

Mr. Smith discussed what Life of  
Georgia is doing to spot management  
potential among its present agents. It  
has adopted the "buddy rating" sys-  
tem developed by LIAMA, for which  
it served as a guinea pig. This has

been incorporated into existing pro-  
cedures. Its premise is that the opin-  
ions of fellow agents may be a more  
accurate guide to an agent's manage-  
ment potential than the less close and  
less intimate judgment of manage-  
ment. The effectiveness of the system  
has been demonstrated in actual re-  
sults by Life of Georgia's experience.

Life of Virginia feels that the team  
of manager and associate manager is  
the most important link in its field or-  
ganization, Mr. Albright said. He dis-  
cussed the procedure in appointing an  
associate manager and a manager, and  
the training plan followed.

#### Training Is Continuous Process

Mr. Albright said he is a great be-  
liever in the fact that training is a  
continuous process and his company  
knows that for every dollar spent in  
initial training many additional dol-  
lars must be spent to make the job  
complete. "We are constantly aware  
that both managers and associate man-  
agers must keep ahead of their agents  
or they will not be able to do the job  
of training that we expect, nor will  
they be able to build their agencies,"  
he asserted. The "train the trainer"  
program aimed at the associate man-  
ager in managing his staff and plac-  
ing greater emphasis on management  
training than on sales ideas is being  
expanded. The booklet, "Essentials of  
Supervision" is going to play an im-  
portant part in retraining managers  
and associate managers.

It is to be expected, Mr. Cox said,  
that there are a great many formulas  
used by the various companies in com-  
pensating field management. All have  
some formula of base compensation  
plus incentive income. In the com-  
pensation of field district managers,

one type of contract may include as  
high as 90% base compensation and  
only 10% incentive. It depends on  
what kind of a job the company wants  
done. For an exceptional job in man-  
aging that district, the company might  
offer an incentive bonus of perhaps  
10% of the manager's total earnings.  
Another company might offer an en-  
tirely different contract, though the  
end result could be the same. It might  
pay as little as 40% base compensa-  
tion and rely heavily on an inven-  
tive supplement to make up the 60%  
balance. Arriving at a fair and equi-  
table way of putting a dollar value on  
the service of field management is  
not an easy one. More and more, he  
stated, companies are reaching the  
conclusion that a compensation sys-  
tem should pay field management for  
those things which the company wish-  
es to accomplish. The manager is, in  
effect, a business manager and a sales  
manager. Southland uses a 65% base  
compensation and 35% wide incentive  
type of contract which is working well.  
It clearly defines that part of com-  
pensation which pays for service and  
that part which pays for future busi-  
ness, which is important.

Mr. Kendall gave the following def-  
inition of successful supervision: "To  
be effective, supervision must be dy-  
namic. To be pleasant and 'easy to  
take,' it must also be democratic. No  
man wants to be goaded and prodded  
by an autocratic, domineering super-  
visor, yet every ambitious man wants  
and welcomes the help, encouragement  
and interest of a friendly and able  
leader in whom he has confidence."

#### Difficult To Strike Balance

To strike the balance between too  
much and too little supervision is quite  
difficult. Because men vary in tem-  
peraments, they respond in different  
ways and any set rule of action for  
all is out of the question.

Washington National believes that  
management is every important to the  
success of the company and that man-  
agement must be properly set up with  
respect to responsibility and authority.  
Successful field experience is a re-  
quirement for all management men.

The conference changed the proced-  
ure for the election of its secretary so  
that the secretary may be nominated  
from the membership-at-large. In the

(CONTINUED ON PAGE 25)

## ACTUARIES

### CALIFORNIA

#### COATES, HERFURTH & ENGLAND

Consulting Actuaries

San Francisco Denver Los Angeles

### MISSOURI

#### NELSON and WARREN

Consulting Actuaries  
Pension Consultants

ST. LOUIS KANSAS CITY

### GEORGIA

#### RINTYE, STRIBLING & ASSOCIATES

Consulting Actuaries—Insurance Accountants  
Pension Consultants

William-Oliver Bldg. Atlanta  
Jackson 3-7771

### NEW YORK

#### Wolfe, Corcoran and Linder

Consulting Actuaries  
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116 John Street New York 38, N. Y.

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ACTUARIES  
MANAGEMENT CONSULTANTS

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EMPLOYEE BENEFIT PLANS

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PORTLAND

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Philadelphia 3, Pa. Rittenhouse 6-7014

### ILLINOIS

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CONSULTING ACTUARIES

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Telephone Central 6-1288

#### CHASE CONOVER & CO.

Consulting Actuaries  
and Insurance Accountants

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332 S. Michigan Ave. Chicago 4, Ill.

### IND. & NEB.

#### Haight, Davis & Haight, Inc.

Consulting Actuaries

ARTHUR M. HAIGHT, President  
Indianapolis - Omaha

### WASHINGTON & CALIFORNIA

#### Milliman & Robertson, Inc.

Consulting Actuaries

914 Second Ave.

Seattle 4, Wash.

400 Montgomery St.

San Francisco 4, Calif.

### NATIONWIDE

#### THE Howard E. Nyhart Company

INCORPORATED  
CONSULTING ACTUARIES

INDIANAPOLIS

LOUISVILLE • DALLAS • LOS ANGELES



The DINKLER-TUTWILER



The BELVEDERE



The JAMAICAN

#### HOTELS

THE DINKLER PLAZA

Atlanta

THE DINKLER-TUTWILER

Birmingham

THE DINKLER-JEFFERSON DAVIS

Montgomery

THE DINKLER-ANDREW JACKSON

Nashville

THE ST. CHARLES

New Orleans

#### MOTOR INNS

THE JAMAICAN

Jacksonville, Fla.

THE BELVEDERE and

THE BELVEDERE ICE RINK

Atlanta, Georgia

#### RESTAURANTS

THE LUAU

Atlanta

America's Most Exotic, Exciting,

Exceptional Restaurant in Decades

## DINKLER ENTERPRISES

CARLING DINKLER, President

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The LUAU

## Editorial Comment

### Fast Curb Needed On Bank-Loan Gyps

The way that policyholders have been misled by some agents into buying bank-loan type plans clearly detrimental to the buyer is little short of sickening to anyone having any thought for the good name of the life insurance business.

Well-meaning bunglers who tie up in educational policies money that a widow needs to feed her family with are bad enough. But in some of these bank-loan cases the only word to describe the agent's conduct is "predatory." The kindest thing that could be said about the least smelly of them is that maybe they got so snarled up in their statistical figure-skating that they didn't realize what a rooking they were giving their policyholders.

We don't know how many millions or billions of dollars worth of life insurance has been sold on the bank-loan type of plan nor do we have any idea how much of it was a poor, perhaps costly, deal for the buyer. Any estimates we have seen were no better than guesses. But at least there is indisputable evidence that there have been some very stinking cases.

Even if they are as rare as the stoutest defender of the bank-loan plan might contend, they are so flagrantly inexcusable and so obviously the result of a ruthless hunger for commissions that they call for action if the life insurance business, and particularly the agents as a class, are not to be smeared with a major scandal.

The field forces of life insurance have been steadily gaining in prestige with the public. In fact, it is this better standing that throws unsuspecting prospects off their guard. It may well not occur to the prospect that the agent with the imposing figures on a bank-loan proposal may be deliberately trying to gyp him or has such superficial knowledge that he hasn't bothered to figure out how bad off the prospect will be if things turn out a little differently from the way the presentation shows them.

National Assn. of Life Underwriters made an attack on the problem at its midyear meeting in Birmingham last week. The board of trustees issued a statement deploring the situation and hoping that it could be cured within the insurance industry. As a first step, it directed its field practices committee to bring to the annual meeting in Dallas "a definite and specific description of the abuses" involved with the bank-loan plan.

But that means it will be months before NALU has even a definition of what a bank-loan abuse is. There is need for swifter action than that and the logical place for it is among the companies. Some have already taken steps to determine that bank-loan plans are sold only where they are likely to be appropriate.

But whatever other steps are taken, it seems as if the one step that should not be overlooked is to alert inspectors in all cases where there might be a bank-loan situation involved, so that the inspector can cover this point in his report. The typical

tip-off is an amount of life insurance applied for that is clearly out of line with the applicant's income. Accurate figures on an applicant's income are sometimes hard to get but inspectors are pretty good at judging by various bits of evidence, by discreet inquiries, and by noting where and how the applicant lives.

Armed with a few searching questions, the inspector could get a pretty fair idea from the applicant himself as to how much he understood about what he intended buying. If this preliminary check showed the applicant to be fairly naive, someone with more technical knowledge could follow up the inspector and determine whether the case justified the bank-loan treatment or not.

This may seem like a lot of trouble to clean up bad spots that may, by actual count, be extremely few in relation to all life insurance sales or even all bank-loan sales. Yet there are enough of them so that a recital of these occurrences in newspaper or magazine articles would be damaging to the prestige of agents generally if readers were given the impression that they should be on their toes if they don't want to be gypped by a fast-talking life insurance agent. Moreover, since the time has long passed when the companies could plead ignorance of what is going on, the lurid publicity would hit the companies that failed to put a stop to it when they could have.

"Don't Let a Life Insurance Agent Gyp You!" would look pretty appalling on a magazine cover, even though such an article would be a real service to the poor devils who are on the prospect list of the predatory handful of agents who make up in voracity what they lack in numbers. But if the life insurance industry is to avoid the stigma of such articles, it will need to act fast. And the place for the fastest and most effective action is the home offices of companies that get the bank-loan type of business.—R.B.M.

cies of the council. He succeeded Basil O'Connor as president.

Paul H. Schultz, secretary and general manager of National Masonic Provident Assn., has been elected executive director of the sesquicentennial celebration committee of Mansfield, O.

William Chodoroff, vice-president and comptroller of Prudential, has been appointed vice-president in charge of budgeting for United Community Services of the Oranges and Maplewood in New Jersey.

## Deaths

**DONALD B. MUNSICK**, 65, assistant general solicitor of Prudential, died at Orange, N. J.

**WILLIAM J. SWAIN**, 86, former Delaware insurance commissioner, and a member of the state industrial accident board for more than 30 years, died at his home in Bridgeville.

**Q. RICE COWMAN**, 45, general agent at Harrisburg for Equitable of Iowa, died of a brain hemorrhage. He joined the Harrisburg agency headed by his uncle, the late P. B. Rice, in 1934, and was named general agent in 1950.

**CLYDE KETCHAM**, 61, of Islip, N. Y., agent and former district manager of Equitable Society, died.

### CLU Candidates Reminded To Register by April 15.

American College is reminding new candidates who have not taken a previous examination that they should register with the college not later than April 15. Although enrollment in a study class is handled locally, the registration for the CLU examinations must be through the college.

Registration is equivalent to applying to take an examination and involves filing a completed "registration application" form, paying a registration fee of \$15, and supplying satisfactory education credentials. Candidates who have previously taken a CLU examination need not register or pay a registration fee again but must complete a CLU examination information form and send it to American College.

A doctor's problems in completing sickness and accident claim forms was the topic of a talk by Dr. L. P. Weinsell at a luncheon meeting of Milwaukee A&S and Life Claim Assn.

## Personals

President **James F. Oates Jr.** of Equitable Society spoke on "The Problem of Alcoholism In Industry" at the meeting of the National Council on Alcoholism in New York City.

**John D. Brundage**, executive vice-president of National Bankers Life, has been elected president of Montclair, N. J., Rotary club.

**J. P. Byrne**, agency vice-president of Life & Casualty, sustained a slight stroke while attending the Life Insurers Conference meeting at Hollywood Beach, Fla., and was taken to a hospital there, where he was reported making satisfactory progress.

**Dr. Norvin C. Kiefer**, chief medical director of Equitable Society, was installed as president of National Health Council at a ceremony in Philadelphia during the National Health Forum sponsored by the 63 member agen-

## Stocks

By H. W. Cornelius, Bacon, Whipple & Co., 135 S. LaSalle St., Chicago, April 1, 1958

	Bid	Asked
Aetna Life .....	186	191
Beneficial Standard .....	14 1/2	15 1/2
Business Men's Assurance .....	62	65
Cal.-Western States .....	83	87
Columbian National .....	71	73
Commonwealth Life .....	19 1/2	20 1/2
Connecticut General .....	245	255
Continental Assurance .....	117	122
Franklin Life .....	67	69 1/2
Great Southern Life .....	72	75
Gulf Life .....	21 1/4	22 1/4
Jefferson Standard .....	71	73
Kansas City Life .....	1280	1320
Liberty National Life .....	27 1/2	29
Life & Casualty .....	17	18
Life of Virginia .....	91	94
Lincoln National Life .....	181	185
National L. & A. .....	79	82
North American, Ill. ....	17	18
N. W. National Life .....	73	75
Ohio State Life .....	190	225
Old Line Life .....	41 1/2	43 1/2
Republic Natl. Life .....	40 1/2	43
Southland Life .....	77	80 1/2
Southwestern Life .....	98	102
Travelers .....	77 1/4	79 1/4
United, Ill. ....	23 1/2	24 1/2
U. S. Life .....	29 3/4	31
West Coast Life .....	35	37
Wisconsin National Life .....	64	68

## The NATIONAL UNDERWRITER



The National  
Weekly Newspaper of  
Life Insurance

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LOS ANGELES 66, CAL.—11326 Kingsland St., Tel. Texas 0-8159. E. C. Faris, Associate Pacific Coast Manager.

MINNEAPOLIS 3, MINN.—1038 Northwestern Bank Bldg., Tel. Federal 2-5417. Howard J. Meyer, Northwestern Manager.

NEW YORK 38, N. Y.—17 John St., Room 1401, Tel. Beekman 3-3958. J. T. Curtin and Clarence W. Hammel, New York Managers.

NEWARK 2, N. Y.—10 Commerce Ct., Tel. Market 3-7019. John F. McCormick, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad St., Room 1027, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

ST. LOUIS 2, MO.—221 Pierce Bldg., Tel. Chestnut 1-1634. Geo. E. Wohlgenuth, Resident Manager.

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## Urges Sales Tactics As Recession Offset

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## Awarded \$25,809 In Bank-Loan Case

(CONTINUED FROM PAGE 2)

ing precisely how the purchased \$150,000 bank-financed insurance program worked and could be lived with. When this final schedule was received, it also was based on the 40% tax bracket."

In November of 1953 Mr. Knox aroused the ire of Mr. Anderson. After weeks of worry, he took the final schedule to E. P. Wick, an investment broker for budget advice. Mr. Wick showed the schedule to a Prudential insurance agent and received in return the opinion that Mr. Knox had bought more insurance than a man in his position could carry. Mr. Knox wrote to New York Life explaining his dis-

covered inability to afford the \$150,000 program and asked for favorable terms upon which to liquidate. This was possible, if the selling agent agreed, Judge McLaughlin stated in his opinion. New York Life contacted Mr. Anderson, who refused to cooperate on the ground that by showing the schedule to another agent Mr. Knox had violated their agreement. Judge McLaughlin in his opinion quoted the following letter from Mr. Anderson to Mr. Knox:

"Now, Roger, all the good things I told you about this program and the benefits you and yours will derive from it are still correct and I feel you should not allow yourself to be de-

prived of this wonderful coverage that is now in force. . . .

"I still say you are abundantly capable of operating the entire program. You are a young man and your estate and income will increase. Now is the time to buy insurance when the rate is favorable and while you are insurable. . . .

"I am taking the liberty of again enclosing a copy of the Valentine letters—one from Mr. Valentine after the program was completed and one from his widow after his death. He too had been contacted by a number of insurance competitors who were most jealous of our success in delivering the business. They resorted to all manner of foul tactics to try to upset these people before and after the business was placed. They even contacted Mr. Valentine's attorney and CPA and they told him he didn't need this insurance. However, the Valentines maintained their confidence in me and the results are of course obvious."

### Had To Cancel Finally

"Left with no hope of liquidating upon favorable terms, Knox cancelled the policies with New York Life," the court's opinion continued. "Defendant contends that he did nothing which in any way violated the tenets of the Golden Rule, his guide in life and business. He claims no knowledge of plaintiff's income or worth. He did feel obliged to point out the pitfalls of the intricate program, but he understood that obligation to be only moral. He represents that he discharged this duty according to his standards. 'I answered all their questions,' he states.

"When he held himself out as a counselor he meant only that he was someone clients could 'feel easy with' during the sale of insurance. As to the reliance his clients here claim they placed in his advice, defendant remembers nothing. His memory serves him faithfully, however, when he recalls

what his clients did. They bought the insurance. . . .

"No one should be jeopardized for being unusually successful at his trade, but he should be held responsible for the intelligent fulfillment of the duties he has assumed by his own actions. A seller might classify himself as a salesman. Yet where this subjective classification differs greatly from representations he makes about himself in the business community, the court will be principally concerned with the consequences of these representations.

### Only A Salesman, Defendant Says

"Defendant has told the court that he is nothing more than a salesman. Yet in the past he has stated that it had taken him years to work out the details of his bank-financed insurance plan based on schedules which he boasted no one could understand. One well qualified expert testified that despite his familiarity with bank-financed insurance it took him six or seven hours a day for two weeks to analyze the schedule prepared by defendant for plaintiff.

"To whom could plaintiff turn? Defendant had extracted an agreement that the schedules would not be shown to any other insurance agent. Ostensibly such an agreement was to prevent a competitor from moving in and selling insurance after defendant had done the preliminary work. Whatever the design, the defendant effectively blocked all avenues of information. True, defendant urged plaintiff to consult an accountant or a lawyer, but this was at the stage of his sales pitch when he had gained plaintiff's confidence and calculated this move to lead to greater confidence.

"Furthermore, the information received through these sources would most probably be restricted to the mechanical accuracy of the schedules or the legality of the plan. These factors were never the problem. What plaintiff needed was information as to whether the intricate bank financed plan was suitable to one in his position. He needed to know whether once used as a means to afford more insurance the plan itself could be lived with over the years. The best source of this information, someone with an insurance background, was cut off by defendant.

### Defendant Evades Issues

"Frequently during defendant's presentation of his insurance plan issues were avoided and vital questions ignored, evaded, or met with half-truth answers or answers susceptible to more than one interpretation. Whether he be a counselor, expert or merely a salesman, the fact remains that defendant after gaining plaintiff's confidence did not explain the insurance plan so that plaintiff understood it sufficiently to make an independent decision.

"In effect, therefore, it was defendant who made the decisions and who thereby took upon himself the task of rendering intelligent insurance service based on the requirements and capacity of plaintiff. Defendant has failed in his responsibilities. He has failed for the reason that after devising a complicated insurance plan tailored for a man in the 40% tax bracket he sold the plan to plaintiff, who was in the 26% tax bracket. As a result plaintiff suffered a loss.

"Whether defendant knew plaintiff's tax bracket or not is immaterial. He should have known. It was a pivotal consideration upon which depended the successful operation of the plan over the years."

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THE NATIONAL UNDERWRITER—LIFE EDITION

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### GROUP ACTUARY

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## States NALU Position On Bank-Loan Tax

(CONTINUED FROM PAGE 1)

reconsider its position on this point, according to NALU sources who were queried by THE NATIONAL UNDERWRITER following the board's action last week.

The present position of NALU closely accords with that of American Life Convention and Life Insurance Assn. of America. ALC and LIA recently told the Senate finance committee of their opposition to any change in the tax deductibility of policy loan interest, irrespective of the purpose of the loan.

### Text of NALU Position Given

Here is the text of the NALU position as adopted by the board of trustees, which is NALU's governing body:

"NALU is deeply distressed by the continued reported abuses which have been coupled with the so-called bank-loan plan, and the board of trustees wishes to go on record as expressing its disapproval of these alleged abuses. We further desire to see action taken which will eliminate these abuses and hereby direct the committee on field practices to report to the Dallas convention with a definite and specific description of the abuses so involved.

"However, while we are conscious of these abuses and wish to see them eliminated by action taken within the insurance industry, we are nevertheless aware of the possibility of legislative activity which could seriously jeopardize the over-all tax position of life insurance. In view of this climate which exists today, we hereby instruct the committee on federal law and legislation and our general counsel to take such actions as are needed to oppose legislation which would in any way deny to life insurance the same consideration that is given to any other form of property, other than tax legislation which would enlarge the definition of 'single premium contract' now contained in section 264 of the internal revenue code and disallow as a deduction interest paid on funds borrowed to purchase or carry any life insurance or annuity contracts coming within such enlarged definition."

Down to the words "... other than tax legislation ..." the above statement is the same in sentiment and almost the same in wording as the recommendation adopted by the national council.

### May Wonder About Importance

Those who have not been following the bank-loan situation closely may wonder why it was considered so important that it took the bulk of the time of the agents, field practices and federal law and legislation committees, plus extensive deliberation by the national council and board of trustees. And this wonderment could well be heightened by recollections of previous NALU meetings at which a great deal of energy was converted into heat and not much into light. In fact, at times it has seemed as if the extremists on each side were more interested in making burns out of the opposition than in working out a thoughtful solution to a serious problem.

But at Birmingham it was different. Everybody was thoroughly sick of hussling over the bank-loan plan, yet they could see that it is a situation that has to be dealt with before it erupts and smears the life insurance

business and its agents as heartless hucksters who razzle-dazzle the unsuspecting prospect with fast talk and a maze of figures he's ashamed to admit he can't really understand.

At the same time—and in good part because of the thoughtful and sincere statement read by NALU's immediate past president, A. Jack Nussbaum, Massachusetts Mutual, Milwaukee—it came to be better understood that there can be good bank-loan plans and bad bank-loan plans, depending on the circumstances and the buyer's understanding of what he is doing.

The result was that nearly everybody who opened his mouth about the bank-loan plan at Birmingham was interested very little in belting an opponent over the head and very much in finding the best solution to a baffling and dangerous problem.

This was evidenced, for example, in the effort to determine what is meant by the term "bank-loan plan." Actually, the word "bank" is almost completely inappropriate, since banks have largely withdrawn from this type of business and most of the loans are made with the company issuing the policy. Yet it seems likely to stick as the generic term for this type of transaction.

The definition suggested by the field practices committee, headed by William H. Pryor, Connecticut Mutual, Wauwatosa, Wis., seems aimed at pinpointing the objectionable type of bank-loan sale and appears to be a great deal narrower than what the Treasury regards as bank loan sales.

### Committee Definition

Here is the field practices committee definition:

"A life insurance or annuity purchase based upon an agreement with a bank, insurance company or other commercial lender to accept an assignment of the policy values as collateral for a loan, such loan being for the sole purpose of paying premiums on the policy under a condition by implication or projection that there is an investment profit to be gained due to an income tax advantage based upon an annual increase in policy values not subject to income tax being in excess of the loan interest cost allowable as an income tax deduction." (Italics are the committee's.)

The Treasury's efforts, as indicated in its unsuccessful legislative proposal last year and in later statements by Deputy Smith, would not be limited to denying the tax deduction to policies described by the above definition. The Treasury would deny the tax deduction to loans to buy or carry policies under any systematic plan of paying a substantial number of premiums by policy loans. There would not have to be a presumed investment profit due to a tax advantage. Nor would the denial of the interest deduction be limited to loans against policies as collateral.

### Treasury Concerned

With calm deliberation superseding the battle-ground atmosphere formerly associated with bank-loan discussions at NALU meetings, there was evidently more understanding of the complete separation of the abuse problem of bank-loan insurance from the interest-deduction aspect. The Treasury is concerned about loss of taxes that are quite legally avoided by the

bank-loan plan. It seems unimpressed by arguments that the alleged loss of taxes is more than offset by estate taxes paid on increased amounts of insurance carried on the bank loan plan, by income taxes paid by lenders on profits they make on the loans, and the like.

Abuses that are detrimental to policyholders, however, are a totally different matter. Strictly as a matter of revenue collections, the Treasury should be more concerned about properly sold bank-loan plans that stay in force and accomplish their mission than about the mis-sold variety that shortly flatten out and go down the drain or wind up with the unfortunate victim actually paying more income taxes than he would have if he had not bought the plan.

It was evident at Birmingham that NALU leaders are aroused about the outrageous treatment that some policyholders are getting at the hands of some agents, even though there was a lack of any kind of figures to indicate how prevalent the "abuse" type of sale may be.

### Suit Focuses Attention

The recentness of a decision on a bank-loan suit in federal district court in Hawaii helped focus the delegates' attention on the kind of excesses complained of in connection with some bank-loan sales. This case resulted in an award of \$25,809 to Roger I. Knox of Wailuku, Maui, who contended he had been misled into buying \$150,000 of insurance on the bank-loan plan by J. Leland Anderson, who was a New York Life agent in Los Angeles. Three similar suits have been brought against Mr. Anderson and have been awaiting disposal pending the court's decision in the Knox case.

Mr. Knox's salary was about \$8,100 a year and he had an income of about \$1,500 a year from investments. He contended he had not really understood the array of figures shown him by Mr. Anderson and had relied on the agent's advice in buying the life insurance and using existing policies in financing the plan. The judge agreed that in such a technical matter the usual doctrine of "let the buyer beware" should not apply.

Other than the bank-loan plan, this year's midyear meeting was surprisingly lacking in anything approaching the controversial. Alterations in committee reports were minor, if any. Most of the reports were accepted without comment.

### Possibility Of Increased Dues

President Albert C. Adams and Treasurer J. Hicks Baldwin mentioned the possibility of an increased dues schedule, but it set off no fireworks and in fact hardly any comment at all. It would not be needed if membership can continue increasing fast enough. Apparently most of those on hand felt this would happen and render an increase in dues unnecessary.

The agents forum, which has come to be looked upon as a place for an open clash of opinions on some currently hot topic, proved highly educational and informative on multi-line selling but it was not the gladiatorial contest that some have been in the past. It turned out that relatively few of those in the audience, as indicated by a show of hands, ever sell general insurance lines. However, several members voiced the opinion that a survey of the entire membership of NALU would show a much higher percentage selling general insurance along with life. The forum was reported in

## GAMC Boards Acts On Membership Rules

(CONTINUED FROM PAGE 1)

signation of the present committee on speakers roster to special committee on local managers association programs. This committee will work closely with local general agents and managers groups in helping them strengthen their programs. Also, the tape recording library will be expanded to be of even greater value to local associations.

At the GAMC speaking sessions, C. Carney Smith, general agent of Mutual Benefit Life at Washington, D. C. predicted that it would not be long before management skills would be recognized as a delicate and intricate art. As a result of this there will be fewer appointments of general agents and managers merely on an expediency basis. He also believes that as time goes by the general agent and manager will be doing the same kind of work and with the same compensation system, regardless of title.

"More and more we will come to be like the man in the gray flannel suit," he said.

Lester S. Becker, general agent of Lincoln National at St. Louis, said he general agents who say it is much tougher to head a successful agency now than it was 20, 10, or even five years ago.

"I think there are greater opportunities today than there ever were," he said. "Sure, they are different opportunities and they must be viewed as opportunities and not as problems. It requires a greater amount of work, energy and constructive thinking than ever before to be successful in this business but that's what we're paid for."

Edwin R. Jeter, field vice-president of New York Life at Rock Hill, S. C., said that if there ever was a time when general agents or managers needed to work together it is now.

"At a time when our economy is expanded at an undreamed of rate, at a time when we should be trying to set up a barrier to inflation through life insurance with its tremendous reserves for hard times, we've been engaged in a price war that was as absurd as it was unnecessary," he declared. "In addition, the professional concept we've labored so many years to fulfill may be replaced by a pre-packaged supermarket where salesmen will become ribbon clerks on the bargain counters of life insurance ... it seems to me that the on big idea in life insurance management right now is our principal function of developing successful men."

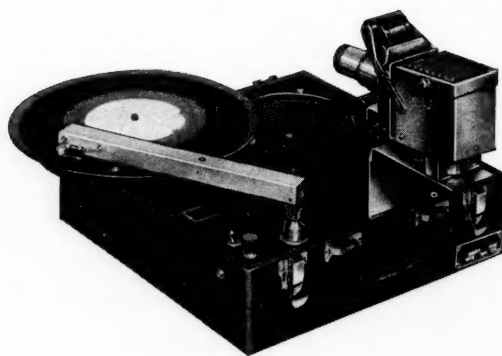
Stanford Y. Smith, director of manpower development and sales promotion of Liberty National Life, commented on the "almost revolutionary" character of changes in the life insurance business.

last week's issue.

Social events included a reception for early arrivals, sponsored by the Birmingham association, and another, Tuesday evening, sponsored by the Alabama association.

The Alabama association ran a sales congress the day after the meeting. Speakers were R. L. McMillon, Business Men's Assurance, Abilene, Tex., NALU trustee; David B. Flugelman, Connecticut Mutual, New York City, past president of NALU; Allen V. Dowling, vice-president and director of agencies of Franklin Life; Albert C. Adams, president of NALU and Stanley C. Collins, Metropolitan Life, New York City past president of NALU.

# When You Solve Your Selling Problem You Solve Your Recruiting Problem



The reason your RECRUITING is still a big problem is because you haven't solved your SELLING problem.

The two go hand-in-hand, practically like one problem.

This is the way to solve both of them: Go into audio-visual selling, as others are doing.

By our plan you have a tailor-made program which nobody else could or would use. It is exclusively for you and has the tremendous selling power that only a tailor-made program could have.

This puts your selling on a scientific basis and gets away from the old groping human methods.

This new way should increase your sales 50%.

This solution of your selling problem attracts recruits. They want to be with a company that is abreast of the times in the sales department.

You have enough prospective recruits so you can pick and choose. You don't have to go out desperately looking for new men.

Then when the recruit starts out for you, which he can do with less training than under the old system, he has the same audio-visual equipment and runs the same program as your biggest producer.

Thus, right from the start, he makes the same presentation as your most experienced man.

This gives him a far better chance to make good and stay with you.

He doesn't have that period of flounder and flop and failure. The machine carries the load, gives him courage, helps him make good from the start.

If this looks to you like good common sense about selling Life Insurance, get in touch with us now.

If you will get into this method of selling and follow our instructions, it will be the biggest thing that ever happened to your company.



**O. J. McCLURE TALKING PICTURES**

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